

The PRESIDING OFFICER. The reports will be placed on the calendar.

JOHN C. RILEY

Mr. ROBINSON. Mr. President, the nomination of John C. Riley, of Arkansas, to be United States marshal for the western district of Arkansas has just been reported favorably from the Judiciary Committee. I ask unanimous consent for the immediate consideration of the nomination.

The PRESIDING OFFICER. The nomination will be read.

The legislative clerk read the nomination of John C. Riley, of Arkansas, to be United States marshal for the western district of Arkansas.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. ROBINSON. I ask that the President be notified.

The PRESIDING OFFICER. Without objection, the President will be notified.

THE CALENDAR—POSTMASTERS

The PRESIDING OFFICER. The calendar is in order.

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. McKELLAR. I ask that the nominations of postmasters may be confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. That completes the calendar.

RECESS

The Senate resumed legislative session.

Mr. ROBINSON. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 48 minutes p. m.) the Senate took a recess until tomorrow, Thursday, March 5, 1936, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate March 4 (legislative day of Feb. 24), 1936

PUBLIC WORKS ADMINISTRATION

James W. Carey, of Washington, to be State engineer inspector for the Public Works Administration in Washington.

UNITED STATES ATTORNEY

Lamar Hardy, of New York, to be United States attorney, southern district of New York. (Mr. Hardy is now serving under a recess appointment.)

UNITED STATES MARSHAL

John C. Riley, of Arkansas, to be United States marshal, western district of Arkansas, vice Cooper Hudspeth, whose terms expires April 5, 1936.

CONFIRMATIONS

Executive nominations confirmed by the Senate March 4 (legislative day of Feb. 24), 1936

UNITED STATES MARSHAL

John C. Riley to be United States marshal, western district of Arkansas.

POSTMASTERS

ARKANSAS

Belle M. Westbrook, Beebe.
William D. Fowler, Brinkley.
James Thweatt, De Valls Bluff.

INDIANA

Clarence H. Andres, Batesville.
Edward H. Scales, Petersburg.
Roy Beck, Tipton.
Perry R. Moore, Zionsville.

KENTUCKY

Mattie Blackwell, Dixon.
Davis N. Thomas, McKee.
Joseph B. Ellington, Nortonville.
Lucy W. Dyer, Sturgis.

MICHIGAN

Max P. Ladwig, Baroda.
Claar M. Bedinger, Berrien Springs.
William M. Story, Bloomfield Hills.
Gustav H. Knaak, Jr., Bridgman.
A. Glenn Haslett, Buchanan.
Thomas R. Bradford, Burr Oak.
Frank Mandigo, Centerville.
Harry C. DeField, Coloma.
George W. Pidgeon, Constantine.
Herbert H. Creagan, Decatur.
Gladys E. Gaskill, Delton.
George C. Du Vall, Fennville.
Clara Woodruff, Freeland.
Bernard R. Micks, Gladstone.
Nina May Chapman, Kenton.
Lydia E. Wilkinson, Lakeside.
Irwell Brody, Lawton.
Gerald P. Riley, Mendon.
Clifford A. Gardner, Middleville.
Fred C. Franz, Niles.
William F. Murphy, St. Joseph.
Archie G. O'Neal, Saugatuck.
Harold E. Merritt, South Haven.
John E. Bommersheim, Three Oaks.
John F. Cross, Three Rivers.
Wilbur E. Davis, Vandalia.
John R. Crumb, Watervliet.

NEW YORK

Hattie D. Lyon, East Setauket.
Frank P. Morstatt, Garnerville.
Walter E. Slaterry, Lima.
John P. Samascott, Loudonville.
James F. Cronin, Portville.
E. Edward DeCamp, Smallwood.
Edward N. Skinner, Westfield.

NORTH CAROLINA

Emma P. Chambers, Warsaw.

TENNESSEE

Myrtis F. Ramer, Bethel Springs.
Richard M. Austin, Decherd.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 4, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, Thou art our Father and Thy love goes far out beyond our dreams; all glory be unto Thy excellent name. Help us to walk with Thee and bind our feebleness to Thy strength. The touch of Thy hand upon us will shelter, save, and redeem us; let us taste and see that the Lord is good. O spare us from that one false note which may go on working and producing and which we cannot bring back. Blessed Lord, while our joys are at times touched with pain and shadows fall upon our brightest hours, with confidence may we lift our hearts to Thee and say, "God is good." Impress us that while Thou art God it is always right to do right. There can be no world, star, nor universe where it is not best to do right. Hearken, Heavenly Father; cleanse us from secret faults; keep back Thy servants from presumptuous sins; let them not have dominion over us; then we shall be upright and we shall be innocent from the great transgression. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed, with amendments, in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 8886. An act to authorize the coinage of 50-cent pieces in commemoration of the sesquicentennial anniversary of the founding of the city of Columbia, S. C.

The SPEAKER. Under the special order for today, the Chair recognizes the gentleman from Ohio [Mr. HARLAN] for 15 minutes.

PERMISSION TO ADDRESS THE HOUSE

Mr. HARLAN. Mr. Speaker, on the Speaker's table is a petition pertaining to a bill which would raise the Smoot-Hawley tariff rates on dairy products and poultry from two to three and one-third times. The bill is so extreme; it could just as well provide that hereafter no dairy products, eggs, or poultry shall be imported into the United States. [Applause.]

However, this absurd bill does certainly reflect some localized back-home demand or it would not be here. The creation of this demand merits our attention. This demand is the direct product of as skillful a campaign of falsehood and baseless alarm as this country has ever witnessed. It has been engineered by political experts who know the deadly effectiveness of an emotional appeal. They know that if the emotions of fear or patriotism or avarice are once aroused, reason and common sense make a rapid exit.

Two of the weakest Presidents we have had since the Civil War were swept into office by a wave of fear created by the cry, "Save the Constitution." In each case, following the election, those patriots who directed the campaign and pulled the ropes entered upon such a carousal of corruption and an orgy of governmental debauchery as few countries would tolerate.

Those who with simulated fear shriek "communism" or "dictatorship" hope that the people in panic will forget the suffering and near revolution that governmental imbecility brought to our very doorsills 3 years ago.

Those tariff profiteers who, since the World War, have sucked the very lifeblood out of agriculture and have mercilessly exploited labor, are now screaming "free trade" and "save our living standard" every time they mention trade reciprocity. Their obvious purpose is to freeze with fright their former victims and give legitimate nonchiseling industry an emotional spasm.

The bill on the Speaker's table is backed by a part of the dairy industry under such influence. This industry has seen the wholesale price of butter, cheese, live cattle, hides, and beef more than double in the past 3 years, and the wholesale price of milk increase 66 cents a hundred. It has seen the sale value of livestock, with dairy and livestock products, increase a billion two hundred million dollars annually, and yet when the Government, through reciprocity treaties, begins to restore the tariff duties existing from 1922 to 1929, a period of the highest dairy prosperity, it yields to politically fomented cries of alarm and joins forces with the tariff despoilers who have always been the worst enemies of agriculture. It hears the cry of "wolf" and does not stop to examine the facts.

A congressional dairy spokesman the other day gave us a list of imports from Canada showing a great increase for January 1936 over January 1935. Five of the items on that list were not even touched by the reciprocity treaty, but a frightened dairyman is not supposed to discover that obvious fact.

Our House of Representatives fortunately does not absorb all the tariff fallacies. I direct your attention to a part of the debate in Parliament at Ottawa relative to the trade agreement with the United States:

Mr. Bennett said, "My Government could have made an agreement like this one."

"Then why don't you do it?" a liberal member shouted.

"Because," Bennett replied amidst conservative applause, "I prefer my country to office." He added, "I oppose this agreement because it sacrifices Canada, because it is detri-

mental to Canadian industry, and because it gives everything we had to give and gets little in return."

Our Canadian imports have increased to \$20,130,000; our exports in the meantime have increased to \$26,285,000. But exports are something that these political fright mongers do not like for the voters to notice. It is also true that our imports from Canada have increased 15 percent, while our exports have increased only 13½ percent, but at the same time our imports from the world at large, most of which has not been affected by reciprocity treaties at all, have increased 24 percent, while our exports have increased only 7 percent. Those people who still cherish that mythical favorable balance of trade will see that we are preserving that condition far better with Canada under reciprocity than we are with the rest of the world under the Smoot-Hawley tariff.

One of our congressional brothers recently reciting this 24-percent increase in imports as against a 7-percent increase in exports trembled with fright, shed buckets of metaphorical tears, and wailed that our reciprocity treaties were destroying our precious favorable balance of trade. The cold facts, cleared of cheap and simulated emotion, are that by the end of 1935 the total imports upon which reciprocity reductions had been granted amounted to \$110,000,000. These same imports in 1934 accounted for \$79,000,000. Now, if we assume, contrary to fact, that these reductions were in effect during all of 1935, and also assume, contrary to fact, that neither drought nor industrial recovery affected this increase in the least, then this increase of \$31,000,000 on duty-reduced goods could not possibly have accounted for more than one-twelfth of our import increases. Eleven-twelfths were imported under the Smoot-Hawley Tariff Act.

Obviously we shall have to look beyond our reciprocity treaties to find out why our favorable balance of trade is disappearing. A debtor nation that becomes a creditor nation, that shuts off immigration, increases its merchant marine, and stops giving away money in the form of fake foreign investments will lose its so-called favorable balance of trade, let the tariff walls reach the clouds or completely disappear.

From '22 to '29 we had our highest peacetime favorable balance of trade. Our new reciprocity rates merely reestablish tariff conditions existing at that time. If tariffs create favorable trade balances, reestablishing these former rates ought to bring a huge success.

The dairy industry also would do well to recall that its greatest peacetime period of prosperity existed under this former tariff law. If we believe that this prosperity was due to the tariff, why not try the old rates over again before we adopt embargoes or any new tariff tinkering? But the proponents of the pending bill say that the dairy industry is entitled to a total embargo. It ought, they say, to have the complete home market. That seems reasonable on its face, but what about the \$13,600,000 of annual dairy exports? Not to mention the \$15,800,000 of cured leather? Shall that market be preserved also? If so, can we expect industry to pay for all these exports by permitting only industrial imports? Human beings are not made that way. If the dairy industry gets a watertight embargo, manufacturing will insist on the same, and your dairy exports will be wiped out.

All of the evidence is that the prosperity of the dairy business depends upon the general prosperity of the country far more than on any tariff duties. From '13 to '22 feeder cattle were imported free of duty; from '22 to '29 the highest duty was 2 cents; after '30 the duty was 3 cents. Yet the prosperity of this business has steadily declined as the duty rose.

In '29 the average butter price was 45 cents; the tariff was then raised from 12 to 14 cents a pound, and the butter price reached a low of 15 cents a pound. In '26 the butter tariff was 8 cents, while the wholesale price was 47 cents. There seems to be no basic connection to be established between the tariff and the price.

In 1931, under a high-tariff administration, our Department of Commerce published a pamphlet—The Outlook for the Dairy Industry. This showed clearly that the price of

butter fluctuated with the size of pay rolls. It also pointed out that the consumption of milk varies directly with the size of the family income, and declines as employment drops.

There is no single group amongst us that has such a stake in the revival of our general exports as dairymen, even aside from their own valuable export industry. Farmers who can no longer sell their cotton, corn, or tobacco abroad graze their fields. City workers thrown out of employment by the decline of export markets go to small farm plots and purchase a cow or a goat. Under the prepanic tariff rates, which we are trying to reestablish through reciprocity, our exports amounted to \$5,000,000,000 and supported from two and a half to three million families. Let us get those families back to buying milk, cheese, butter, and meat, and the dairy problem is solved.

The American Creamery and Poultry Produce Review knows wherein the interest of this business lies. It says:

THE CANADIAN TRADE AGREEMENT

The Review unhesitatingly applauds as sound policy in principle the trade agreement recently consummated between Washington and the Dominion of Canada. The concessions made will, it is true, adversely affect at least for a time, certain enterprises and industries on both sides of the border. But the advantages of cultivating larger commercial relationships with a good neighbor whose manner of living, whose trend of thought, whose ideals and ideas of government, and whose prevailing tongue are very nearly identical with our own must be apparent.

Friendship and a mutual appreciation of a common interest in peace grow with trade and with a general realization of business interdependence. We look forward to the day when the border line separating us from Our Lady of the Snows can, with mutual benefit, be made as innocent of restrictions as it is today innocent of fortifications and instruments of war.

But the tariff agitators say that the lower reciprocity rates have already injured the cheese market, causing a price decline of 3 cents per pound during February. They neglect to say, however, that during the same time butter and milk increased in price; they also forget that even with this decline the average cheese price for January 1936 was 2 cents higher than the average for January 1935 when there was no reciprocity treaty. The decline in the cheese market was due to very obvious causes entirely apart from the tariff. [Here the gavel fell.]

By unanimous consent Mr. HARLAN was granted 5 additional minutes.

Mr. MARSHALL and Mr. ANDRESEN rose.

Mr. HARLAN. I yield to my Buckeye colleague, the gentleman from Ohio.

Mr. MARSHALL. I hesitate to quibble with a good neighbor of mine—

Mr. HARLAN. Go ahead.

Mr. MARSHALL. Since the gentleman spoke about the criticism of the reciprocity tariffs being prompted by emotion, I just want to ask the gentleman whether or not there had come to his desk in the last day or so the report of the National Paper Board Association, since in the gentleman's district there are so many manufacturers of paper board.

Mr. HARLAN. It has not.

Mr. MARSHALL. That is not prompted by emotion.

Mr. HARLAN. I cannot yield any more—my time is so short.

During the latter part of 1935, long before the Canada treaty, cheese prices were high as compared with butter prices. This stimulated cheese production, which in December amounted to 38,800,000 pounds, the greatest production of cheese ever recorded in that month. Cold-storage holdings of cheese on February 1 were 78,200,000 pounds as compared with 71,000,000 pounds a year earlier and a 5-year average of 60,600,000 pounds. The price of cheese either had to fall or the consumption of cheese had to increase to an unprecedented level—trade agreement or no trade agreement.

This cheese argument, which ignores essential facts and misinterprets those given, is a fine example of all the tariff hokum that has been injected into the CONGRESSIONAL RECORD in recent months.

The reiteration of that old saw about our wage scale being dependent upon a high tariff is as well permeated with

cheese as the cheese argument itself. In 1784 Benjamin Franklin had this to say of the wage scale in America:

Several of the princes of Europe, having of late formed an opinion of advantage to arise by producing all commodities and manufactures within their own dominions so as to diminish or render useless their importations have endeavored to entice workmen from other countries by high salaries, privileges, etc., * * *. This, however, has rarely been done in America * * *. Labor being generally too dear there. And when the governments have been solicited to support such schemes by * * * imposing duties on importation of such goods, it has been generally refused. * * * Hence it is that artisans generally live better and more easily in America than in Europe.

Alexander Hamilton, in his report on manufactures in 1791, had this to say:

* * * these and similar causes conspire to produce and for a long time must continue to occasion a scarcity of hands for manufacturing occupations and a dearthness of labor generally.

A high wage scale was here before any tariff and has stayed here since, due to the high productivity of our labor, rich resources, favorable climate, unlimited power, and inventive genius. Because of these conditions there is no labor in the world, however cheap, that can compete with ours in occupations suitable to our race, our country, and climate. Take rice, the great product of coolie labor; we sell quantities of it on the oriental market. Japan is our second best customer for rice, although our wage rate is 20 times as great as that of the Chinese producer, and we have a tremendous shipping disadvantage to overcome.

In 1927 our Labor Department made a survey of the worsted industry in the United States, England, and Germany. The Yankees tended from 4 to 12 looms; abroad, even where automatic looms had been installed, the workers tended one or two. The yardage produced in shorter hours here were 400, England 212, Germany 147.

Our 1929 census shows the average wage paid in 36 typical exporting industries which sell on a world market and get no benefit from tariff, to be \$1,704 per year, while the average wage of 36 typical protected industries which owe their wages to tariff to be \$1,109 per worker. Of the 72 industries the highest average wage in the protected group is only slightly greater than the lowest in the industries not depending upon protection.

Dr. Taussig, of Harvard University, says:

Those countries have high money wages whose labor is efficient in producing exported commodities and whose exported commodities command a high price in the world market.

The Tariff Commission in 1922, under a Republican administration, reported on the window-glass industry in the United States and Belgium. The average American worker produced 5.2 boxes per day as compared to 3.5 boxes in Belgium. Our plate-glass workers had an even greater advantage, and since 1922 this advantage has increased. The International Labor Office in 1931 found America to have the same advantage in the coal-mining industry. All of those foreign countries that have surrounded us by a veritable cordon of tariff walls because their labor costs cannot compete with ours know what they are doing.

All this does not mean, however, that if drastic reductions were made in the tariff duties and our whole industrial system disorganized, labor, like all the rest of us, would not suffer. Such a step would be little less than economic suicide, and it is because everyone realizes this that the labor exploiters and political ballyhoo artists continue to shout "free trade" and make such dire prophecies before each reciprocity treaty is completed. Reciprocity measures are prepanic tariffs; nothing else. There is no free trade in it.

So far all of these gloomy prophecies have been decided duds. We were told that the Belgium treaty would ruin the steel business, yet the American Exporter for February 1936 contains the following:

That agreement became effective May 1, yet by November steel production in the United States was the largest of any November since 1929.

Nor did prices suffer from imported steel. The Iron Age Composite price of iron and steel products at the end of the year was the highest since 1930. Moreover, rumors of price advances to take effect early in the new year were persistent.

And as the new year opened general business was at the highest level in 5 years.

The gentleman from Minnesota [Mr. KNUTSON] the other day used up a lot of synthetic emotion over the Match Trust, ruined, he said, by reciprocity. A dispatch in the Washington Post of January 24 reads as follows:

Stockholders and regularly employed workers of Diamond Match Co. shared in an extra dividend declared today by directors. The regular semiannual dividend on the preferred stock, amounting to 75 cents a share, and an interim dividend of 50 cents a common share were declared by directors, payable March 2 to stock of record February 15. In addition, an interim disbursement of 25 cents a common share was ordered, payable June 1 to stock of record May 15.

At the same time directors ordered a labor dividend of the same total amount as the extra, about \$325,000, paid to employees of the concern, exclusive of the management and the high-salaried group.

The Cuban treaty produced prophecies of ruin to our beet-sugar industry, yet this industry has marketed at profitable prices all it could produce and was wholly unable to reach its allowed quota. The Swiss treaty was designated as the ruination of our watch business, yet the New York Journal of Commerce for January 21 contains the following:

The American Watch Assemblers' Association has sent a telegram to Secretary of State Cordell Hull praising the proposed reciprocal-trade treaty between this country and Switzerland and expressing the view that it will tend to create a better spirit of cooperation between the two countries and help to curb smuggling of foreign watch parts, it was announced yesterday by Samuel L. Kuhn, executive secretary of the organization.

The telegram said that the association believed that the treaty will increase commerce between the two countries and "be of material benefit to American business firms, workers, and consumers."

In reference to the treaty as a whole, the New York Herald Tribune, a bitter antiadministration paper, on February 27 said:

* * * Considered impartially and as a whole, it is surely a gratifying response to Mr. Hull's labors and excellent proof that reciprocity pays. The volume of trade is still, of course, a mere fraction of what it became in the late twenties. Years, probably, must elapse before it attains again its proportions in that halcyon era. However, the climb seems to have begun, and if and as it accelerates let us bear in mind that it is subject to quite as much protection as that afforded by the Fordney-McCumber tariff. That was considered ample at the time. We know of no sound reason why it should not be so considered today.

Mr. Harper Sibley, president of the United States Chamber of Commerce, in addressing the Canadian Chamber of Commerce, says:

Examples of Canada and the United States in recent years have been much of a beacon light to a world floundering in a sea of trade restrictions. * * * The world had been watching efforts of Secretary of State Cordell Hull to bring about wider interchange of products between the United States and countries with which it traded. * * * That treaty has had great world significance. It has signaled the willingness of Canada and the United States to work for greater trade liberation.

As against all of this, the price of cheese dropped 3 cents in January. "Save the Constitution." "We are flooded with imports." "Labor is being pauperized." "The red flag of Moscow is supplanting the Stars and Stripes." "Free trade is here." "We are bankrupt." "Our liberty is gone." So is your old man. [Applause.]

STATUTE LAW VERSUS ECONOMIC LAW

Mr. MAPES. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a radio speech made last night by the gentleman from Connecticut [Mr. MERRITT].

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MAPES. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following address delivered over the radio last night by the gentleman from Connecticut, Mr. MERRITT:

It is strange how slow the human race has been in perceiving and acknowledging that this world and its inhabitants are part of a universe governed by law. When the Old Testament was written, natural phenomena were generally considered to be special acts of God, either intended to show His pleasure or displeasure with something which man had done. In the middle of the sixteenth century Copernicus proved, contrary to general belief, that the earth revolved about the sun. But 150 years had

elapsed before it was safe for anyone to express belief in the Copernican theory.

In the same way it took ages to convince the world that the human body and human life were governed by law so that the practice of medicine came to be a science instead of magic.

It is to be noted that in both the above instances men were dealing with physical science and concrete facts which could definitely be proved, but when we come to questions of human conduct and human relations we get into a more difficult field.

Because no human being acts or reacts uniformly even under the same conditions, and when one variable being is dealing with another, and, still more, when one class or nation is dealing with another class or nation, the problem contains an infinite number of variables. The wise young men who originated and tried to manage N. R. A. found out even before the Supreme Court declared the scheme was opposed to constitutional law that it was contrary also to human nature and to economic law. They supposed that all that was necessary was for them to decide what they thought was the proper way to conduct business and then to write a statute to put their plan into action. But they soon found that so far from fitting all business it did not fit any business. The Board which was ruling N. R. A. was soon swamped with problems and conditions which they were obliged to consider and straighten out so business could proceed. Before the Board was put out by the Court it had issued literally tens of thousands of orders to meet these difficulties, and N. R. A. was practically dead because it was contrary to the economic law of supply and demand and also because business must be conducted by those who are skilled in it.

The force of economic law was shown also by the fact that as soon as N. R. A. was killed business came to life and has been growing ever since.

It is also a law of economics that wealth can only be created by labor which produces objects useful to the human race in greater quantity than current consumption. Thus in early ages the tribe or family who had more skins or wool or corn than they needed for their own use were capitalists and on the road to wealth. These useful articles were exchanged by barter until, by the advances of civilization, they became so numerous that it was necessary to agree upon some common medium of exchange, whether beads or wampum or, finally, gold; or, in the last century or two, paper which was supposed to represent gold. This medium of exchange called money has been the cause and the inflating gas of many financial bubbles and dreams of wealth and of numerous attempts by various nations in different eras to alter or overcome economic law by statute law.

All these bubbles have burst and the inflating gas has blown away, leaving nothing behind but disappointed hopes, privation, and suffering. And, as I said in the beginning, the strange thing is that in this matter of money one generation does not learn from another. But when as a result of war or commercial catastrophe a depression occurs it is certain that various cure-alls will appear and equally certain that every one of them will contain a provision in some form to make by law something out of nothing.

The experience of France with the paper assignats, at the end of the eighteenth century, or of Germany after the great war, mean nothing to the schemers. They can always point out to their own satisfaction where their scheme is perfect and will avoid the troubles of all previous schemes.

The panic of 1929 and the following depression have run true to form and we have had many schemes such as the Patman bonus bill or the Frazier-Lemke bill which would issue billions of new money which would not cost anyone anything but would enable everyone to live in peace and plenty.

The authors of these plans do not see that with the issue of large quantities of fiat money, call it by any name you will, prices will rise and the value of the money will go down, so that inevitably more money will be required and issued until it is worth nothing and then comes universal bankruptcy.

The fundamental fallacy in all these utopian schemes is that the money is fiat money, that is, the money is not produced as the result of business exchanges or by labor, but is issued only as the result of a statute. Its amount is not limited by business requirements but may be indefinitely increased by legislative fiat, so that inevitably and invariably more and more so-called money, based on nothing is issued, and, being based on nothing, is in the end worth nothing.

Do not forget that by the collapse resulting from such inflation not only are new debts and new business affected, but all investments by savings banks, insurance companies, hospitals, and colleges are endangered. No greater calamity can befall a nation, especially a commercial nation like the United States, than the collapse of Government credit.

This leads to the consideration of perhaps the wildest scheme which has ever been proposed in a civilized nation. I refer, of course, to the so-called Townsend plan, which proposes that the United States pay to every citizen 60 years of age or more a monthly pension of \$200, with the requirement that the pensioner agrees to spend all the money within the United States during the next 30 days after its receipt.

It is not creditable to the intelligence of the citizens of this country that the Townsend plan has received as much attention as it has received and, through the so-called Townsend clubs, has gathered together an enormous number of people who favor, or think they favor, the plan and who are pursuing their Senators and Members of Congress to make it into law. So far as my observation and conversation with other New England Members of

Congress go, the plan has made relatively small progress and few conquests in New England. I am not surprised by this, because New England people from colonial times have been sensible and hard-working people who, from their own experience, know that material value must in some way or other be the result of human labor and cannot be produced by fiat of the Congress or any other body. I need not make any extended argument about the Townsend plan, but will quote a few figures just to show its utter impossibility. The figures are taken from official reports and computations of the Bureau of Foreign and Domestic Commerce and the National Bureau of Economic Research.

Just to take 1 year, the estimated number of persons who were 60 years and over in 1934 was 11,445,000. The total pensions required under the Townsend plan would have been \$27,468,000,000. The estimated national income paid out for pensions, including Townsend and other Government activities, would have been \$50,189,000,000. The estimated national income remaining for the non-pensioned population would have been \$22,721,000,000. The estimated number of persons under 60 years of age was 115,000,000. So that the per-capita income of those doing no work and receiving pensions would have been \$2,400, while the number of people who worked and whose taxes produced these pensions would get \$197 a year. That is to say, the 11,000,000 people who did no work would receive \$2,400 per annum per person, while the nearly 115,000,000 people who did work and had to support those who did not work would be receiving \$197 a year. The Townsend people talk about a 2- or 3-percent transaction tax to raise the necessary amount, but figures show that in 1934, to raise the necessary amount, the tax would have been 26 percent, which is obviously absurd.

I do not think any explanations or argument or words can add to what the above figures show as to the absurdity of the suggestion and the absolute impossibility of the plan.

Other favorite schemes for making everybody happy and comfortable by law without any work on their part are the enormous housing projects and power projects which are being financed by the Federal Government. The one which has excited the greatest interest is the Tennessee Valley Authority, which has utilized the enormous dam across the Tennessee River which was built for war purposes. The Supreme Court has decided that under certain circumstances the United States is justified in selling its surplus power. But the plans of the Tennessee Valley Authority go far beyond the authority which the Supreme Court says is legal.

They are building houses for whole communities and are proposing to erect power stations to furnish power for the purpose of what they call a "yardstick" in order to test whether the rates of private companies are fair or not.

Leaving aside questions of constitutional power, I submit that under economic law it cannot be for the benefit of the people of the country as a whole to have its Government erect dams or power houses for the production of power or light or for any other purpose in regions which are already fully supplied with power. The effect of expenditures of this sort by the Government will be to destroy the capital investments of the companies already producing and furnishing the power. Advocates of these Government projects justify anything they may wish to do simply by saying that the owners of existing power or light plants are corporations, the inference being that all corporations are evil. As a matter of fact, these power and light corporations have been of inestimable value by developing sections of the country otherwise barren and by greatly improving the scale of living. They are owned by hundreds of thousands of individual investors and by insurance companies and savings banks representing other thousands of widows and orphans. The United States not only violates moral and economic law, but also the United States Constitution by taking property without due process of law.

New England is peculiarly interested in and affected by these governmental transgressions of economic law. This is because New England is an industrial center, and industry and manufacturing are so complicated and so interwoven with all other activities of the Nation that the effects of these economic sins are felt directly and at once in New England. I need only point out from official figures that in 1933, which was a depression year, so that the figures are lower than normal, the total value of industrial products in the six New England States was over \$3,000,000,000; total number of workers employed in industry were 798,000; and the industrial wages paid were nearly \$700,000,000.

I hope I have made clear that neither individuals nor statute law can successfully evade or encroach upon economic law any more than upon physical law. Good intentions will not suffice. If, with the best intentions, a man grasps a live electric wire, he will nevertheless be burned or killed. If a statute runs afoul of economic law, it will fail.

LEAVE TO ADDRESS THE HOUSE

Mr. BOILEAU. Mr. Speaker, I ask unanimous consent that tomorrow immediately after the reading of the Journal and disposition of matters on the Speaker's table, I may be allowed to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. BLANTON. Reserving the right to object, my purpose is only to preserve the time of the House set apart for the appropriation bill. My friend from Pennsylvania [Mr. DITTER] is one of the most generous men in the House in

yielding time. I am sure he will grant all the time the gentleman from Wisconsin wishes in general debate.

Mr. BOILEAU. My purpose is to give the dairyman's viewpoint on the subject covered by the gentleman from Ohio [Mr. HARLAN].

Mr. BLANTON. The gentleman can get time after the mace is taken down. What difference does it make whether he says "Mr. Speaker" or "Mr. Chairman" after the mace is taken down?

Mr. BOILEAU. It seems to me that the gentleman from Texas is the last one who ought to object to my making a reply to the gentleman from Ohio. Mr. Speaker, I am going to insist on my request.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

ROOSEVELT AND THE DEMOCRATIC PLATFORM

Mr. ROGERS of New Hampshire. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a speech delivered by James A. Farley before the Democratic Club in Manchester, N. H.

Mr. RICH. Mr. Speaker, I reserve the right to object. Is that Mr. Farley, the Postmaster General?

Mr. ROGERS of New Hampshire. Yes.

Mr. RICH. Or the Democratic national committeeman?

Mr. BLANTON. Both of them; and he is good at each.

The SPEAKER. Is there objection?

There was no objection.

Mr. ROGERS of New Hampshire. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the address of Hon. James A. Farley, chairman of the Democratic National Committee, at a dinner sponsored by the Young Democratic Clubs of New Hampshire, at Manchester, N. H., on Monday evening, March 2, 1936, and broadcasted over the Yankee network, as follows:

It is a pleasure tonight to join with the young Democrats of New Hampshire in opening a campaign that will bring victory to our party and victory to the Nation. I am indebted to the radio company for this opportunity to place the facts before the people of New England.

This meeting tonight is significant. The people of New Hampshire played a prominent part in founding the Democratic Party and in promoting Andrew Jackson's policies of freedom and justice for all classes and all sections. The party is still the guardian of those principles.

An overwhelming majority of young voters are behind President Roosevelt because he is trying to ensure them a chance to work and a chance to earn a living. But they are confused by unfair attacks upon the President coming from individuals and groups who have their own selfish interests to promote.

I suggest that we follow the excellent proposal made by President Roosevelt himself in his Jackson Day dinner speech. He asked each one of his hearers to appoint himself or herself a committee of one to get the facts. Suppose tonight, in the limited time we have, we carry out his suggestion regarding one of the main charges hurled against the present administration.

It is my privilege, as chairman of the Democratic National Committee, to report to you good people on the work of our party in power. President Roosevelt pledged himself if elected to promote recovery, to check deflation, and to save the great mass of the American people from losing their homes, their savings, and their jobs. He carried out that task in magnificent fashion, and with justified pride we place his record before the voters of the Nation.

President Roosevelt is now under attack because someone made the pretended discovery that he failed to carry out a plank in the Democratic platform, which pledged a 25-percent reduction in the ordinary running expenses of the Federal Government. He is being held up to scorn as a man who failed to keep his promises and who ignored the platform on which he was elected.

I challenge the accuracy of that statement. Let us examine the facts.

On March 5, 1933, 1 day after he entered the White House, President Roosevelt issued a call for a special session of Congress to carry out the platform on which he and the Democratic Members of that body were elected. In response to his call Congress was in session a little over 3 months, and in that time it made a record for constructive achievement which will compare with any in history. Among other things, at the request of the President, Congress enacted an economy bill carrying out his pledge to reduce the normal expenditures of government by 25 percent.

It was done in the only way it could be done at that time—by reducing the salaries of Federal employees and by cutting down the compensation allowances to American war veterans. President Roosevelt carried out his platform pledge honorably and well.

But the people of the country had undergone a change of viewpoint. The Democratic platform was written in June 1932 as a

standard of government for normal times, but as a result of the Hoover depression the economic and social life of the country was in a state of complete confusion and chaos. The people wisely decided that this country was never going to pull itself out of a terrifying economic swamp by taking a few dollars away from war veterans and low-paid Federal workers. They had had enough of deflation, and they said so in so many words.

In March 1934 the country was slowly recovering under the wise policies of the administration and the economy bill was erased from the statute books over the veto of President Roosevelt. The Members of Congress who overrode that veto came before the voters of the country in the fall of that year and most of them were reelected and vindicated by the voters.

That, my friends, is the true story. The American people repealed that plank in the Democratic platform after President Roosevelt had carried out his pledged word to enact it into law. The will of the people is supreme in this country, and let me say that it will always prevail over that Democratic platform plank or any other plank that ever was written or ever will be written.

But a few of the very newspapers that were then urging Congress to override the veto are now falsely accusing the Chief Executive of failing to keep his pledged word to the people.

Now, let us paint the picture a bit clearer. Among those who voted to restore salaries and payments to the veterans were Senator WALSH, of Massachusetts, an able party leader, and many of the Democratic Congressmen from that State and other New England States. They voted their convictions and the people upheld them in doing so although our political foes are too timid to criticize them.

Now let us complete the picture. The New England Members of the Senate who voted to destroy that plank in the Democratic platform included HALE and WHITE, of Maine; AUSTIN and GIBSON, of Vermont; KEYES, of New Hampshire; and WALKOTT, of Connecticut, every one a Republican. From the State of Massachusetts alone, seven Republican Representatives cast their votes to override the President's veto, including Representative EDITH NOURSE ROGERS, Representative MARTIN, and Representative ALLEN TREADWAY, the man with the strong voice who is always talking about Coolidge economy. That is the record.

A few weeks ago a number of people from this section of the country journeyed to Washington to attend a sumptuous banquet of the now discredited American Liberty League. There were 18 guests present from the neighboring State of Massachusetts, and of that group one was a Democrat and the rest were Republicans. That's about the correct proportion of the league, 1 part Democratic to 17 parts Republican.

Under the kindly patronage of the Du Ponts, they gathered in the golden banquet hall, under the glittering chandelier, surrounded by the trappings of great wealth, to warn the American people that the Nation was going to ruin because a Democratic President had failed to cut 25 percent from the normal expenses of government.

And who do you suppose were among the guests? Why the guests included Congresswoman ROGERS, Representative MARTIN, and a number of other Republicans from other parts of the country who voted to destroy the economy bill. Just imagine the Liberty Leaguers entering into an unholy alliance with Republicans who voted to rip up the economy plank and all of them pointing to the White House to say "You did it."

I am going to quote you now from an editorial which appeared just after the veto was overridden. I quote:

"In the momentous action of Congress in overriding President Roosevelt's veto of the independent offices bill the employees of the Government in every branch win a restoration of pay which for thousands will bridge the gap between income and cost of living. From the Government's faithful workers the thanks to Congress will be generous and heartfelt."

So, then, we have examined the evidence and we submit the facts. I ask the fair-minded people of New England to sit in judgment. Is that newspaper justified in falsifying the record against the President of the United States?

Let me say that in giving the facts I left out the names of several other gentlemen who voted to override the President's veto. The CONGRESSIONAL RECORD in the coming campaign is going to prove an unhappy reference book for several Republican hopefuls who are now casting longing eyes toward the White House.

Every man and woman who listens to my voice tonight is just as capable of determining what Mr. Roosevelt has done to rescue and restore the economic life of this country as are the self-appointed critics and writers who presume to instruct you on how to vote. The facts speak for themselves. No President in recent history has a record of constructive achievement to equal that of the present occupant of the White House. When you read these bitter attacks, just ask yourself this question: "Who said that?" A little reflection will convince you that these attacks come from the very men who 3 years ago were pleading with the President to adopt his present policies in order to resume their business and their investments.

Yes; in 3 years we have passed from economic confusion and despair under the Hoover administration to sound and substantial improvement in our growing economic and commercial life. We can go about the business of living without the constant haunting fear of loss of savings, loss of homes, and loss of jobs. We have gone a long way under the policies of Mr. Roosevelt, and we are going the rest of the way.

And yet, in the face of those undeniable facts, we hear the unfair charge made that the administration has nothing left but its

spending policies. A recent radio speaker even went so far as to ask the men and women now engaged on Federal work projects, because there is no room for them in private life, if they desire to be supported for the rest of their lives by the Federal Government. Now, let's examine the facts about relief expenditures.

A recent survey showed that more than 70 percent of the funds supplied to the misnamed Liberty League come from the Du Ponts and their allies in the automotive and other industries. Now, as a direct result of the Roosevelt policies in reviving the buying power of the workers, the farmers, and the great white-collar class, the automotive industry is having the greatest period of prosperity in its history. Only last week Alfred P. Sloan, Jr., president of General Motors, announced that 25,000 employees will get more than \$11,000,000 in cash and stock under the company's savings and investment plan.

A recent report of the Du Pont company itself disclosed that last year's profits amounted to \$55,676,000, which the conservative Wall Street Journal said were the largest in the history of a company which has existed for more than a century.

We rejoice over the good times being enjoyed by the investors and the workers in the automotive industry, and the Roosevelt administration is proud of the fact that it has fostered that prosperity. There is no man too rich or too poor to be denied his rights under this administration.

But, unfortunately, those financial statements fail to disclose the other side of the picture. In a recent magazine article, Senator ROBERT WAGNER, of New York, one of the keenest and sanest students of the American economic system, pointed out that while the automotive output increased 45 percent in 1935 over 1934, the increase in employment was only 8.3 percent. That fact is distressing. The use of labor-saving machinery has made it impossible for many good men and women to find reemployment in the motor industry. The recital of these facts is not intended as a criticism of the men directing the automotive industry.

We know that a similar condition exists in other places. We know that one of the grave problems confronting the communities of New England is the fact that even with industry reviving it is difficult to find places for all the men and women who want to earn a living, which is the basis of all human rights. These are the same law-abiding people who have always lived here. They have not changed, but conditions have changed over which they have no control.

And yet it is the fashion in some quarters to belabor those people, and to ask them if they wish to be supported forever by Uncle Sam. Why not ask the same question of the members of the Liberty League? The Du Ponts have been rewarded, and richly rewarded, by the paternal actions of the Federal Government for more than a century and everyone knows that fact. Their lobbyists swarm over Washington like mosquitoes over a swamp. They are go-getters and I never yet heard of the Du Ponts complaining because Congress passed laws to help their financial interests.

I agree with a well-known newspaper writer who said the Liberty League is a league of fat cats who gulp down all the cream and are now afraid someone else might get some of the milk.

Oh, I know and you know what the advocates of the old order will offer as an answer to these undeniable facts. They will bring out the moth-eaten argument that if the Government will only abandon the unemployed, then business will boom and the problem will take care of itself. That theory is called recovery by faith.

The same theory was employed extensively by a former President, whose novel pronouncement that recovery was "just around the corner" later became a byword among hard-pressed people who were suffering from the effects of the depression. The simple fact is that this complex problem of unemployment is one of the most fundamental to confront us, and it won't be solved by bland and meaningless statements about returning to first principles.

We pass on now to the major plank in the platform of those who disagree with us on the methods now being pursued to promote recovery. They want, as far as I can make out, an abrupt ending of emergency expenditures and on top of that a 25-percent reduction in the normal operating expenses of the Federal Government.

We are willing to meet any group or any political party on that issue. I say that the sudden adoption of such a policy would mean economic suicide for New England. It would freeze up the economic life of this section, upset the processes of recovery, and send us tumbling back toward the desperate economic conditions that prevailed during the last part of the Hoover administration.

Make no mistake about it, the upward swing in business and industry now in progress is a direct result of New Deal policies and not the result of these so-called natural forces of recovery which no one has ever been able to define. In your own cities and towns you know right this minute of the funds being expended to care for the unemployed and the destitute who otherwise would be compelled to seek relief from municipal and State funds and private charities. I say this money now being expended by the Federal Government is the measure between good times and desperate times in New England.

After the long strain of the depression the merchants in this section of the country are making money again and their books have passed out of the red and into the black. The retailers, the storekeepers, the butchers, the bakers, the doctors, and the dentists who go to make up the great middle class are tasting good times again because the people have money to spend and can pay their bills.

The merchants are able to pay for advertising and thus keep the newspapers going. The white-collar workers have jobs and are

able to support themselves and their families. Withdraw the emergency relief money now being sent into New England by Uncle Sam, and I say it would be the most cruel blow that could be struck against the great mass of people.

There is an erroneous notion going around that relief money helps only the unemployed, and that if Uncle Sam would only let them shift for themselves, business would boom, the problem would be solved, and everyone would be happy again. That's a grave error. The fact is that Federal spending has done more for the great middle class than it has for any other group. The unemployed are getting subsistence wages, but the small-business men and the professional classes are beginning to enjoy a measure of good times.

The actual fact is that under the emergency appropriations voted by Congress actually more than \$825,000,000 has come into New England in the hectic battle to turn the tide and restore prosperity. That money saved a tremendous number of merchants and manufacturers from ruin, and a good portion of it today is resting in the bank accounts of thrifty citizens. It wasn't thrown away as our opponents would have you believe. That money prevented an unbelievable amount of suffering. Can any fair-minded man criticize President Roosevelt for having the courage to adopt such a policy?

But these administration critics go further than that. They demand a 25-percent cut in the normal operating expenses of government in addition to choking off relief spending. I wonder if these people have ever figured out what such a policy would mean to New England?

Senator FRED BROWN, Congressman WILLIAM N. ROGERS, my very good friend Senator WALSH, and other Democratic Senators and Representatives from this section are now working night and day, with the help of President Roosevelt, to build up the American Navy, which was shamefully neglected by Republican administrations in the most prosperous period of our country. This policy will promote national defense and it will provide employment in the great shipyards of New England. Now it is pretty generally agreed that you can't make substantial cuts in the Treasury Department, you can't make substantial cuts in the Justice Department, and you can't reduce the cost of distributing the mails one notch below what it is at the present time. You have seen that Congress has refused to cut salaries or slash the compensation now going to war veterans.

One method of cutting Government expenses now being strongly pushed is to slash to the bone the program for building up the Navy to the strength it should have. Just figure out for yourself what such a deflation policy would mean to the navy yards at Boston and Portsmouth and to other New England shipyards. More than \$20,000,000 in Public Works money has been spent, or is being spent, in the shipyards of Massachusetts alone. To cut the naval expenditures would hit New England harder than any other section of the country.

So I say, the next time you listen to one of these high-sounding speeches about returning to sound party principles, ask the gentleman to be specific. Let him state just what American workingman he wants thrown back into the soup lines and what businessmen and merchants he wants tossed back into the red.

These critics of the administration are smart politicians, and they know that unless President Roosevelt is reelected, a Republican will succeed him in the White House. The next question is, What will that party do about emergency spending? I'm now going to quote you from a radio address by Representative ROBERT L. BACON, of New York, who spoke as a Republican member of the House Appropriations Committee under the auspices of the Republican congressional committee. He said:

"I agree that the cost of relief largely must be paid out of the Federal Treasury, because States, cities, and counties to a great degree have exhausted their resources."

Let me add that what Congressman BACON said has been said by virtually every responsible Republican leader in public life.

The fact is President Roosevelt is now accomplishing one of the most vital acts of statesmanship in recent political history. He is carefully protecting the Nation's credit, sponsoring policies to revive industry, and at the same time carrying out the moral obligation to care for the unemployed who are unable to care for themselves.

These critics remind me of the man who stood on the bridge and tried to poke the captain's elbow as he brought the ship safely into port after a long and stormy voyage. The country is fortunate in having a strong hand at the tiller when there are men about who like to rock the boat.

So, then, my friends, let us look to the future with confidence. We can get behind Mr. Roosevelt in the knowledge that in backing his candidacy we are doing the country a real public service.

We have reviewed the facts and the facts support our case. We have shown that our President has courageously pursued the policies which are restoring the Nation's economic life while those who profit the most by his efforts are trying to hamper him at every step.

My final word is, don't vote against yourself. Let the voters of America look about them and see the chaos and confusion which exist in the world today while we forge steadily forward under the New Deal.

Remember that the flaming spirit of the President revived the optimism and the confidence of America while timid men stood by and wondered what to do.

Confident that victory will be his in November, I feel certain that New Hampshire will cast its electoral vote for the greatest living Democrat and the ablest statesman in the world—Franklin Delano Roosevelt.

THE BATTLE AGAINST INDUSTRIAL REACTION

Mr. MAVERICK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to include therein a speech I made last night.

The SPEAKER. Is there objection?

There was no objection.

Mr. MAVERICK. Mr. Speaker, under leave granted to extend my remarks in the RECORD I include the following address which I delivered at the Amalgamated Center, Philadelphia, Pa., Tuesday, March 3, 1936:

Mr. Chairman, my subject tonight is the Battle Against Industrial Reaction. The subject is so broad that it concerns everything in the ordinary life of America—and the world. To speak merely on the subject of industry by itself would be of no interest or benefit. So I shall discuss the subject in relation to problems that affect the whole Nation. Reaction is now brutal and stupid, and has been throughout history. Even though we have advanced rapidly in the sciences, reactionary groups refuse to understand or believe the lessons of history. And I address you as plain, ordinary Americans interested in everyone else.

I shall attempt to discuss our present serious problems in the light of the constant battle of the people against industrial reaction; the necessity for the conservation of our agricultural and natural resources; the preservation of the rights of labor; and the relation of all these things to the Constitution of the United States; the right of civil liberties and the necessity, in our battle against industrial reaction, of staying out of war. For war is the result of misgovernment, unfair economic practices, fascism, imperialism, and selfish nationalism. Let the world know that this organization stands for and demands for all classes of people, peaceful and well-ordered government; civil, economic, and political justice.

Let us discuss first the attitude of some of those now yelling loudest for liberty; let us talk about the Constitution, laws, and customs under which we live. The reactionaries have had control of the world nearly all the time; occasionally they are ousted. But they have been known, tagged, and properly labeled ever since our forefathers created a rude alphabet.

The enemies of progress in America furnish enough examples. Lincoln knew these people; Jefferson knew them; every decent man who has ever lived has known this group of blind, hateful, despicable people who, being cruel and selfish, are so ignorant as to believe that they can maintain their society, their monopolistic rights as against all humanity and forever. Let me tell you what Lincoln said of this class of people. He said as follows: "The shepherd drives the wolf from the sheep's throat, for which the sheep thanks the shepherd as his liberator, while the wolf denounces him for the same act as the destroyer of liberty."

This is a perfect description of the Liberty League.

I shall quote Lincoln later in this speech, but let me read that over again and let you understand what this really means.

What does it mean? Well, you can figure it out as well as I can: That the wolf, the Liberty League, denounces anyone—that is, you yourselves, or your organization, the party which may support you, the President when he tries to help you, or anyone who helps you. Yes; this wolf who is at the throat of the American people, he it is who denounces your own organization, yourselves, your friends, and the people themselves who want liberty as the destroyers of liberty. They are firebugs who denounce the fireman who is protecting the home owner. They would destroy your unions and substitute the company unions; they would wolf you if they could.

It is a practice now to charge others who have some courage or originality with some "ism", or of spreading "subversive" doctrines. Let them call us what they please. This is my country, your country; we have a right to talk, think, vote, and act, and we will do it. I am talking in my native language—the American language—so that we will understand each other, and so everyone else will understand us. Take the American Constitution. It was written by human beings, and was not handed down to us from on high. And the judges of the Supreme Court are human beings like you or me. If a member of this audience were appointed to the Supreme Court, his political viewpoint would probably not change at all; he would take his political viewpoints with him to the Supreme Court, just as the corporation lawyers who go there take their views with them. And remember, though courts are a necessary function of any government, times change, views change, and people have a right to adjust their own government to their own will.

Certain classes, however, utilize the Constitution of the United States to prevent even the very mild laws which we of Congress have passed to attempt to alleviate somewhat the hardships which the producing mass of the people have been suffering, even in the so-called prosperous periods. The prosperous period was bad enough, but the suffering has been accentuated during the depression. And with the industrial reaction going on with the stupidity of those who control the great industrial wealth of the Nation, we, of course, know that a final break-down must come, and there is little chance of getting out of the depression unless we do something to meet essential problems face to face. Never before has it been so apparent that labor and the people in general must lose their battle if they depend solely upon an industrial or union arm. They must enter the field for all purposes as free-born American citizens, free to live, free to have a decent standard of living, free to educate their children, and free to have political rights and civil

liberties. They cannot fight this battle successfully with just one hand and without strong organization.

Why is this? The enemies of labor and the people are using both hands, and, I might say, feet, along with their native shrewdness. Today the forces of reaction are rushing to the courts, with high-paid lawyers and their writs, injunctions, mandamus, and octopus processes, in order that they be protected in their privileges as a "constitutional right." These high-paid lawyers are sharp and well trained; they have the friendship of the press; they have the privileges of wide publicity; they attempt in every possible way to subvert the courts in advance, to intimidate the Congress, State legislatures, public officials; to intimidate citizens; to intimidate those who work. They have "held"—I say "held" in quotation marks—the National Labor Relations Act as "unconstitutional", these Liberty Leaguers, these contemptuous, overbearing, arrogant men, who themselves show contempt for our institutions. They have done so in defiance of fair play and decent legal ethics, but that means nothing to them.

It would seem, therefore, that any man who lives in this country, such as you who work for a living, would be a simpleton and a coward not to protect his own rights and the rights of his children.

The National Labor Board is practically at a standstill in its efforts not merely to secure better wages and hours for our citizens, but merely to protect them in the right to organize themselves to secure such conditions. Around 40 decisions favoring labor's right to organize have been appealed to the courts by the reactionaries who, through company unions or outright breakup of all organization by the intimidation and gangsterism brought about through the hiring of organized thugs, have attempted to keep their workers from forming independent labor organizations.

Let us consider this and other problems in connection with the Constitution. It is ironical to see the Constitution, formed in 1787 when there wasn't an industry in the country, being appealed to in these 150 years after to protect the monopoly finance-machine industrialists. They think the Constitution was written expressly for them; that their machines and machine control of our lives must have all been handed over to them when the Constitution was written.

It is even more ironical when one knows why the Constitution was formed the way it was in 1787. But let me not criticize our Constitution; it is mine and yours; let Woodrow Wilson say it. No one could accuse him of being a radical, and yet he frankly told us regarding the forming of the Constitution:

"The Government had in fact been founded upon the initiative of and primarily in the interests of the wealthy and mercantile classes."

And this was not merely an opinion of the late President of the United States. If you will come down to Washington, I'll take you over to the Library and show you from original records that those who formed the Constitution said that they had formed it primarily to protect property.

And here I'd like to make a side remark: Some day we will understand more clearly the difference between human rights and property rights, or we will find there isn't any. Those who think only of property have organized the American Liberty League. They stole a word and twisted it around. We think of liberty, and, if we are to be hypocritical like they, let us organize the American Property League. By that we will demand that everyone shall have property. But, after all, it is not hypocrisy; for if a man has property, liberty seems to take care of itself. Has not a man a right to own property, or, to put it differently, the right to the production of wealth from property, if he is willing to work? Surely, we all ought to have that right, if we admit that human beings have a right to live as such under human institutions. Concerning our concepts of "liberty" and "property", sometimes I wonder if it isn't half a dozen of one and six of another. In any event let us know what we are talking about; what kind of property we are talking about and what kind of liberty we are talking about. Has a man liberty, for instance, to starve his fellow citizens? Has he a property right to use his property so that it would degrade or starve another? I should think not. I should think that liberty consists in the right of living, and living like human beings—and the Declaration of Independence says so. The ownership of property at least consists of its not preventing other people from living like human beings.

But let me go on with the Constitution. I suppose that when the Constitution was created it was natural for it to be fashioned as it was. Society was entirely different then from now. Land ownership was possible, and production proceeded from the land. The modern machine has changed this. And there have been more changes in the structure of society between the fashioning of the Constitution and today than there had been between the Stone Age of mankind and the year 1787, when 39 men signed a Constitution which today is being used to govern the affairs of 125,000,000 men, women, and children in an entirely different world.

Now, Thomas Jefferson, the author of the Declaration of Independence, was a scientist as well as a statesman. He knew that the one sure thing of life was change. That was the reason why in the first hundred and eleven words of the Declaration he was careful to stress the fact that whenever any form of government did not bring life, liberty, and happiness to the people they should alter or abolish it—changing the governmental structure so that it would bring life, liberty, and happiness. That was also the reason why in 1816 he warned his countrymen against veneration for any man-made document. One thing which aroused this great thinker was the constant attempts of the governing class in each generation "to beat the living with the bones of the dead."

Here's what he said 27 years after the Government was founded on the present Constitution:

"Some men look at constitutions with sanctimonious reverence and deem them like the ark of the covenant, too sacred to be touched. They ascribe to men of the preceding age a wisdom more than human, and suppose what they did to be beyond amendment. I knew that age well; I belonged to it; and labored with it. It deserved well of its country. It was very like the present, but without the experience of the present; and 40 years of experience in government is worth a century of book reading; and this they would say themselves were they to rise from the dead."

And yet we see the people whom Jefferson hated digging up his corpse and obscenely parading it about as their own. They are doing the very thing Jefferson warned against; they are beating the living with the bones of the dead; worse, they are doing it falsely.

As to the Supreme Court, which has usurped powers never given it in the Constitution, Jefferson never minced words in his criticism of this usurpation, on one occasion calling the Supreme Court "the thieves of jurisdiction." In our attempts to create veneration for this Court and thus keep its decisions from being criticized we have been careful not to give publicity to many of Jefferson's statements about the Court. In 1820 Jefferson dealt with the matter in the following searching manner:

"You seem to consider the judges as the ultimate arbiters of all constitutional questions; a very dangerous doctrine indeed, and one which would place us under the despotism of an oligarchy. Our judges are as honest as other men, and not more so. They have, with others, the same passions for party, for power, and privileges of their corps. Their maxim is 'a good judge amplifies his jurisdiction', and their power is the more dangerous as they are in office for life, and not responsible as the other functionaries are to the elective control. . . . When the legislative or executive functionaries act unconstitutionally they are responsible to the people in their elective capacity. The exemptions of the judges from that is dangerous enough. I know no safe depository of the ultimate powers of the society but the people themselves; and if we think them not enlightened enough to exercise it with a wholesome discretion, the remedy is not to take it from them but to inform their discretion by education. This is the due corrective of abuses of constitutional power."

Remember, I am quoting the words of Thomas Jefferson, great American President, whose corpse has been kidnaped by the Liberty Leaguers.

Jefferson was not content with this, as someone having said the court was at least honest in its decisions, Jefferson had this to say:

"I repeat that I do not charge the judges with willful and ill-intentioned error; but honest error must be arrested where its toleration leads to public ruin. As for the safety of society, we commit honest maniacs to Bedlam, so judges should be withdrawn from their bench, whose erroneous biases are leading us to dissolution. It may, indeed, injure them in fame or fortune; but it saves the Republic, which is the first and supreme law."

Probably you will ask, "Why has all this been kept from general circulation while all most of us ever read about Jefferson's utterances are just general statements?" My answer to this is that it is an old game, as old as recorded history, to get people to venerate institutions under which they are governed so that they will not be apt to examine into them.

And of the past, it's the same old game of misinterpreting our ancestors and taking their utterances and twisting them around. The reactionaries of days gone by were the great friends of Hamilton and demanded that the States have no rights. Now they think the trend has changed; they put their pious utterances under a false demand for States' rights, the Constitution, and the Supreme Court. The rights of humanity and the freedom of speech and press, the preservation of the Union as a whole, and the general welfare are not mentioned.

Let me mention Lincoln again. When he was President of the United States he had no more false veneration for the Supreme Court or the Constitution than Jefferson had. His inaugural address shows this: "This country with its institutions belongs to the people who inhabit it." Not to those who used to live or who are going to live, but to this generation. Laws should be made for the living. And those who are going to come after us must also have the right to change and progress. That's what they should do, just as we, the living, should change those institutions which were made by those now dead if such institutions don't serve us efficiently now.

The views of Lincoln on the courts and Constitution after practical experience of them are not the only statements our publicists have kept quiet regarding the utterances of this great man. He was the one President who had a lot to say about the right of labor, and way back in the forties, when he was in Congress, he had something to say that you won't find emblazoned anywhere on any monument erected to him; and I'll give big odds that the Liberty League won't use it in the coming campaign. Here it is:

"If we except the light and air of heaven, no good thing has been or can be enjoyed by us without having first cost labor. And inasmuch as most good things are produced by labor, it follows that all such things of right belong to those whose labor has produced them. But it has so happened, in all ages of the world, that some have labored, and others have, without labor, enjoyed a large proportion of the fruits. This is wrong and should not continue. To secure to each laborer the whole product of his labor, or as nearly as possible, is a worthy object of any good government."

The utterances of both Jefferson and Lincoln, which I have quoted, would be true even if they had never said them. I am certainly myself not going "to beat the living with the bones of the dead", but the reactionaries of this country have had the immense impudence to try and hide between these two great figures of the past in an attempt to fool the people, so that they can rule them and the more efficiently rob them. I have, therefore, just quoted a few statements of these two ex-Presidents, which the reactionary industrial and political groups do not want to have publicized.

The industrial reaction is led by the United States Chamber of Commerce, the Liberty League, and others; these are great industrialists who flatter and cajole the small merchants and average citizen against their own interests. As late as Saturday the National Manufacturers' Association denounced everything or anything of a progressive nature suggested in the United States. They denounced the Walsh bill requiring the N. R. A. wage scales on Government jobs, the Ellenbogen textile bill, the Robinson-Patman bill to protect small merchants, the 30-hour week—everything. At the same time they want to restrict ordinary civil liberties, the right of freedom of speech and press.

And I believe this is the most pressing danger with which we must take an active part in the battle against industrial reaction at this time. This effort by the industrial groups and reactionaries to violate the fundamental rights of civil liberties guaranteed in the Constitution must be met face to face. They weep and yell over their property rights guaranteed in the Constitution, but they say nothing about the Bill of Rights as also a part of the Constitution. The Bill of Rights gives us the right of freedom of speech and press, it provides against unreasonable searches and seizures, it permits us to travel from place to place; in other words, it gives us the ordinary human rights which we have regarded as obviously a part of normal American life. But everywhere in our country civil liberties are being subverted and broken down. In certain counties, cities, and States the worst forms of persecution known in Russia are practiced. These smaller units of government, in defiance of law, exercise the arrogated power of deportation and of permitting or not permitting citizens to enter their borders. In other words, the binding power of the Constitution, among other things, originally unified this Nation, and yet in many instances respect for the Constitution and the Government of the United States is broken down so badly by industrial and selfish groups that certain small governmental units which are controlled by these same selfish groups consider themselves as independent nations, with the right to imprison and jail anyone who cares to use his constitutional right to travel into their rotting principalities, if one is so unfortunate as to find it necessary to go there.

Everywhere we see all kinds of suppression against those who teach—and certainly we, who expect to live like human beings, desire that the rights of the teachers to teach the truth and to live honorably and respectably should be protected because we want our children to learn and to improve themselves. We see everywhere the suppression of the freedom of speech, the "red" hunts (which are alleged to be against Communists), but which are really against any progressive tendency of the people to protect their economic rights. In some thirty-odd States we have suppressive legislation either against teachers or the citizens, or both. In Congress we have numerous laws introduced for the purpose of suppressing civil liberties. We have the military disaffection bill and the Kramer sedition bill. These are laws similar to the ones passed in Europe just preceding the World War—for instance, in Germany, which made the military supreme. Although it does not seem probable at this time, if we permit laws to be passed and suppressive actions to be continued by the Government, or any of its subdivisions, like counties, States, or cities, we are heading straightway for the military miseries and faults of the Old World. The whole world is filled with trouble and travail and hatred and malice. Civil liberties have been lost nearly everywhere, and the only place where any civil liberties are left at all seems to be in the British Empire and the United States of America. So let us keep our civil liberties; let us demand them and maintain them; and possibly, through the exercise of civil liberties, we can progress and change and thereby eventually obtain our economic rights; and, since I speak to you not as labor unionists but only as Americans, these liberties are for all of us—for those whom we hate as well.

For all of us, I said, and I mean the members of the United States Chamber of Commerce—the organization which leads the battle against civil liberties and the battle for industrial reaction. Let us maintain liberty even for the prostitutes of liberty—the so-called American Liberty League, who are indirectly backing the chamber of commerce in their attempt to set up the industrial reaction by the gag and military suppression. Let us keep our record straight, fight for true Americanism, and see to it that our enemies have these fundamental liberties as well as ourselves, and though we fight at a disadvantage, we can win with truth and sincerity on our side.

Agriculture, I said in the beginning, is as important to you as to the farmer. Likewise, if the resources of the Nation are not conserved, it will destroy you as well as those who live away from the cities. But even the conservation of our resources is opposed by the reactionaries. They oppose every effort to save our rapidly eroding lands, forests, and rivers. Now, understand this: Unless you maintain the rights and liberties, the producing power, and the purchasing power of the agricultural classes you will have no producing power or liberty yourselves.

The Tennessee Valley Authority is opposed by the reactionaries. Let me tell you about the Tennessee Valley Authority. The utilities

and industrial groups hired Newton Baker for \$50,000 to say it was unconstitutional. This was used as propaganda to beat down on the public and subvert the courts, as they later did with the Wagner Labor Act. But the Supreme Court held the T. V. A. constitutional in spite of this. But let us discuss T. V. A. and public utilities in general from an economic viewpoint and their importance to the people of the United States.

Public utilities proceed from the natural resources, so the Tennessee Valley Authority is a good example. It is, in fact, probably the most important endeavor in the United States. Specifically, it is public ownership of public resources. I recognize it as a public-ownership project and favor that principle of government. I also want my people in the South to have a better standard of living. Now, the coal workers have been told that the T. V. A. is harmful to them because then the people who live in the South—that is, in Tennessee and six or seven other Southern States that surround it—could have water power—that is, electricity made from the water belonging to God and the people—and would, therefore, harm the coal business. This is the worst kind of nonsense, and the most criminal nonsense it is possible to put before the American people. In those States live many people who have had a low standard of living and practically no purchasing power for over a hundred years. There are several million people who will directly benefit by the Tennessee Valley Authority—the building of dams, the prevention of soil erosion, reforestation work—and these people's purchasing power will give to them such a higher standard of living that they can buy the products of the people of Philadelphia, of New York, and of the great industrial centers. Prosperity in one place does not hurt prosperity in another place. Prosperity here helps prosperity in the South. Prosperity in the South helps prosperity here. And I come here to plead for economic justice for my people in the South. They are entitled to it, and I know you favor it.

The old idea of industrial reaction, the old idea of one-profit group, a great industrialist, was to make a lot of profit out of low wages and to sell to other groups with greater purchasing power. But we know now that if wages are depreciated in one place it has its ultimate and deadly effect on another. Hence, our fight against industrial reaction is to preserve the rights of people living all over the United States, and thus the T. V. A. and it great work is as important to you as to the people who live in the valley.

Basically the T. V. A. concerns the matter of conservation of our natural resources. But I am going to tell you of a visit, not in the South but out in the West, over the lands of the Indians, and which does not concern T. V. A. at all. I saw there Indian pueblos which have stood for hundreds of years; I saw Indian pueblos which had been covered by sand and eroded soil for centuries. I saw others that were suffering from soil erosion.

I mention this because this pueblo is blowing and washing away and being exploited from within and from without. This is true of all America. Our lands are being blown and washed away and if we lose the productivity of the soil neither decent farm life nor city life can be maintained.

This latter phase of nature's destruction is our part in the battle against industrial reaction. The power groups have not sense enough to see that they are destroying themselves by refusing to see these fundamental factors. In the T. V. A., in various functions over the country, conservation is impossible except through the Government of the United States. Thinking only of temporary profits they are unwilling to cooperate in the saving of our country as a whole, not realizing that ultimate destruction will include them as well.

Now, what is the point that I have to make on the subject of conservation? The point is, of course, that we must save our country; and in order for you to understand that I am not trying to violate any constitution or any law, let it be understood that common sense dictates that constitutions and laws should be so written and so made that we can conserve our soil. If we do not, we will be lost as a Nation, we will be destroyed; so let's make our Constitution and laws to suit the needs of the people; let us have sense enough to save ourselves, and to govern ourselves sensibly.

Another stumbling block in the pathway of ordered human life, and another thing which we must consider in battling the industrial reaction, is the matter of war. Are we going to let those old buzzards, those same old obscene devils, put our children into another war? Personally, I say that we should not permit it. The war lords have done everything to defeat any effort for peace. Human races, as you know, have no hate toward each other. Seen in this audience are people of English, French, Polish, German, Lithuanian, Jewish races—every descent on earth. I am from the South and you from somewhere else—and yet there is not a person here who hates another one because of his racial descent or place of birth. We are all Americans, all human beings, sitting under one roof. We do not necessarily personally love each other, but we do have one binding power—we have the binding power of our children, humanity, common feelings. Every person in this audience loves his own children, and, by the same token, others. You may not have a child, but you know what the love of childhood is, because whether you have any yourself or not, you have a mother and father whom you love and who you know love you, if they still live. Hence we know that for human beings to go to war and kill each other is absolutely unnatural, it is improper, it is useless, it is wasteful, it is hateful, it is destructive of civilization and everything that's good.

We must stay out of war. The war lords have defeated every effort—the League of Nations, the World Court, all collective action. The eagles of imperialism rise high above the people. The eagles of imperialism are raised today all over the world. We

hear of murders—new kinds of murders—military murders. All over the world hundreds of millions, tens of billions of dollars, are being put into armament. There is an armament race on the earth. Now, since the League of Nations has been defeated, the World Court defeated, I fear very much that we cannot enter those associations at this time, because if we do, so certainly shall we get into war. So let us, at least for the time, stay out of war; do it by neutrality and sacrifice, but stay out at all cost.

All of the things we have talked about are deep and fundamental. But in simple language, what is it we want and why are we living?

Well, what I want is to have a decent country in which to live, for me and my children and for all those who come after me. I want my own children—and now I look at this thing selfishly—to have a chance to work hard for a living, to have a little happiness, a decent house, a decent education, and some luxuries in life. That is what you want; that is all anybody should want. But remember, you are entitled to it, and I am entitled to it, and we are entitled to an equal opportunity for our children. There is no such equal opportunity now in the United States of America. There may never be absolute equality of opportunities, but that should be our goal.

Let us first take the class that is unemployed, the 11,000,000 people—30,000,000 or more, including families. As human beings they and their children are deprived of their rights because of the economic condition of the country. Outside considerations of humanity, and looking at the unemployed wholly from a selfish viewpoint, we want them to be employed because we need them to maintain a purchasing power which will be beneficial to those of us who are fortunate enough to be employed.

Let us approach our problems with the romance of the Three Musketeers—all for one and one for all. But let us likewise approach the subject from the common-sense and cold-blooded viewpoint of efficient organization and intelligent action, for we must realize that the only way that we can survive is by letting all the rest of humanity survive. And we survive by sensible organization, by intelligent grouping—and I think that the idea of industrial organization, of industrial unionization, is, from my viewpoint, the only way. Nearly every protection that has been given the American citizen has been removed by the intensity of the industrial reaction, and this has occurred as one legislative protection after another set up by the people's representatives is removed by the courts, and after one economic structure after another breaks down. I cannot attribute this wholly to the Constitution, nor to any one particular phase, but I do not consider myself as telling you anything but the obvious and simple truth when I say it should be changed to meet the needs of the people—and when the people want it changed.

As citizens of a country supposed to be free, let us make it free by conserving the soil by which we live and by preserving the producing power and liberties of the agricultural classes; let us consider justice to sharecroppers and tenants and their right and our right to organize and to gain justice for ourselves. Let us face our common enemies, whether they are called Tories or Liberty Leaguers, or by what they really are: let us, as free-born human beings and American citizens, use our brains, our hearts, and our fists for justice to all men of good will.

THE NAZI REGIME IN GERMANY

Mr. KRAMER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an address which I delivered before the Argo Lodge, B'nai B'rith, Jewish Community Center, in Washington, D. C., on Wednesday, February 26, 1936.

The SPEAKER. Is there objection?

There was no objection.

Mr. KRAMER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address made by me before the Argo Lodge, No. 413, B'nai B'rith, Jewish Community Center, Washington, D. C., Wednesday, February 26, 1936:

Friends, it is an honor for me, indeed, to have an opportunity to address your organization tonight. Realizing that it could not be possible that you wished me to discuss the flowers and wonders of California, and emphasize our wonderful sunshine, I have been requested to make some statements with reference to my recent experiences on the continent, and principally in Germany.

I have also been requested to say a few words to you, insofar as I am permitted to divulge, on what has transpired before the Committee on Un-American Activities, whose primary object was to investigate nazi-ism in the United States. This committee was encouraged by various federations and organizations, who also brought to our attention the transgressions hurled upon people of the United States, and particularly the atrocities hurled upon the Jewish race.

We also found many letters of communication between German leaders abroad to their officials in New York, Chicago, and various other cities of the United States. I call your attention, particularly, to the manner in which these communications between Giz-zel and Buckholz and others were passed.

Now, I come to an organization known as the Silver Shirts. The Honorable JOHN W. MCCORMACK, chairman of the Committee on Un-American Activities, designated me as chairman of the sub-

committee to take up this particular subject, and I want to say to you that it was a most interesting undertaking, which, I believe you will admit, was brought to a very satisfactory conclusion. To show you the connection, although there seemed to be complete denial, between the Nazi and the Silver Shirt organization, we found in our investigation that Pelley and Von Lillienfeld Toal, the adjunct of the Silver Shirts, were allied with each other.

Justice in Germany, my dear friends, has become the slave of nazi-ism. The judges there submit to Nazi terror and are anxious to exercise the same terror against all Nazi opponents who come before them. Any remarks about their leader Hitler have been found by the German Supreme Court to be legal grounds for divorce. A court recently ruled that marriages between Jews and non-Jews would be regarded as an immoral relationship. The new German penal code has become an instrument of terror closely resembling the days of barbarism. It will feature capital punishment, return of the early laws, and civil death—meaning the ostracizing and outlawing of persons not in accord with the Nazi regime.

Its main blows are directed against independent labor and anti-military-minded people, who will be subjected to the death penalty in time of war and to life imprisonment in time of impending war.

All rules of civilization have been trampled on as well as those of justice, inasmuch as they are being used to protect the greedy Nazis. The new law bluntly states that the killings from excusable violent emotions, such as the Nazi method against their opponents, will be justified. For instance, the Nazi Burgomaster Bauer, at Bavaria, was acquitted of perjury and embezzlement charges, although the most overwhelming proof of his guilt had been presented, and even though the Nazi prosecutor was forced to admit that Bauer was guilty in at least a half dozen cases and that he committed perjury as a witness.

The terror in the educational field has been mainly exercised against the Jews, which cannot be lightly passed by. According to my information, the official figure of the non-Aryan students at the German universities decreased from in excess of 3,900 in the pre-Hitler year of 1932, to less than 1,900 in the summer of 1933, which was a few months after Hitler had taken power. In the following winter there was not a single Jewish student admitted to the universities. At the same time only 590 out of a total of 87,000 male students were Jewish, and less than 15 of those attending were permitted to attend regular classes. Of a total of 1,500 women students, approximately 200 were Jewish, and since then the figures have decreased considerably. As another illustration of the recent Hitler terror, I might call your attention to the Nazi executions. From June 1933 to June 1934, 212 anti-Nazis were put to death.

Prison sentences of approximately 130,000 years were imposed on 280,000 persons. In other words, the prison terms meted out to anti-Nazis during the first year of Hitler terror averaged 1 day for each of the approximately 35,000,000 adults of Germany, and these figures reflect only the regular penitentiary offenses inflicted by the courts.

No account has been taken of the innumerable murders and other atrocious acts of Nazi violence, nor the blood purge of June 30, 1934, nor the hundreds of persons shot while trying to escape. Neither are the hundreds of thousands of prisoners considered who are herded together in the concentration camps. In the same year in excess of 13,000 German citizens, of which most of them were German Jews, were deprived of their citizenship. I understand that the period from June 1934 to the summer of 1935 was less cruel and violent; in fact, during my 3 weeks in Germany I found only a few occasions where these atrocities and hardships were being imposed, and this was upon the people of the Memel territory, although in January 1935 there were prison sentences totaling approximately 675 years, indicating that there was still an acceleration of the terror wave. During the first half of the year 1935 there were total sentences in excess of 5,600 years at hard labor passed against approximately 2,400 offenders, most of whom, of course, were people of the Jewish race.

I have found, however, throughout entire Germany that all business houses, large and small, display notices on their windows and doors, stating that theirs is a German business (Deutscher geschäft—"no Jews allowed here"). This rule is very rigidly enforced among the restaurants, department stores, doctors, and other business and professional enterprises. Unless one is born in Germany, of German parentage, he is prohibited from transacting business except amongst the Jewish race. A German who has intermarried in the Jewish race is also prohibited from associating with others. They are confined to their own class; in the same sense, as I might say, that cattle are segregated in stockyards—bringing humiliation and disgrace upon the Jewish race in a most unnecessary and inhuman manner.

Children are parading on streets singing Heil Hitler.

There are many Nazi movements against churches and religion. There are many priests and ministers of the Catholic and Protestant churches confined in concentration camps and prisons. Severe punishment of long imprisonment and heavy fines has been imposed upon most of them. The arrests, of course, are being recorded daily under the pretext of violation of German foreign-exchange regulations. The Nazi regime has struck a civil blow, as you know, at the Catholic opposition. Many monks and nuns have been arrested and chained in solitary confinement for years. Here, I might say, that many of them scarcely knew of Adolph Hitler nor the foreign-exchange laws; however, heavy penalties were meted out to them, and many of them are very old and not in good health.

The conflict between the church and the Reich is assuming serious proportions. One of the latest blows has been the compulsory transfer of tens of thousands of children to nonreligious schools, as well as the arrest of members of the Catholic Youth Organization, who were returning from Rome. The Catholic youngsters were stripped of their uniforms and their religious medals and emblems.

There have been daily reports of the various hardships and other atrocities which were imposed not only upon the Jewish race but upon all persons opposed to the Nazi regime by General Goehring, who is making a very serious attack on catholicism all along the line and ordering authorities to apply all of their strength against the Catholic clergy and youth-organization whose activities are considered inimical to the Nazi state.

The era in which we live will decide whether the forces of brutal contempt for the intellectual life will prevail over those which have brought us to our present degree of civilization. That may seem like a strong statement, but there are signs and portents, grave signals of danger which make the thinking man wonder whether civilization is at the end of the road.

Slowly but surely all of the things which we hold dear as free men in this great Nation are being taken away from the peoples of Europe. Every day we read and wonder how nations of culture, whose great men have contributed to the progress of all the races, can retreat step by step into barbarism. For that is what is taking place today.

Remember this when you read of a public official being attacked for defending Americanism. The foundation stones of our form of government would be scattered by the artifices of dictators outside our borders who realize that the United States of America is the only land left to protect the rights of a free people.

There are those among us, well-meaning idealists, some of them, who think all problems would be solved if we pooled our interests with those of the hypocrites who would destroy us. Those are the danger signals I speak of. Beware of those who would risk losing what we have in a futile attempt to reform a greedy world which would devour us.

Recently a bill was passed in the United States Senate in an effort to have us join the Bern Convention, which is supposed to protect the rights of authors all over the world. On the face of it this seems innocent enough. But what do we find when we look into the details of this seemingly innocent enterprise? We find in the background the same schemers who would destroy our freedom and reduce us to the status of European mental slaves.

The obvious purpose of the Bern Convention is to prevent discrimination in one country against the copyrighted works of authors who are nationals of another country. That is all well and good. But you cannot trust European schemers when they come here prating of idealism. Foreign nations are clamoring that we join the Bern Convention in order to eliminate the so-called manufacturing clause from the existing copyright laws. If this scheme became successful, some 225,000 American printers would be thrown out of work because foreign nations would dump their printed works in the English language for circulation in cutthroat competition with American labor. Think of it! And such legislation is passed in this free country under the pressure of foreign hypocrites.

Can you imagine our free, thinking writers sitting down at the Bern Convention to discuss intellectual integrity with representatives of Mr. Hitler's government? How far would they get? How can we explain our free press to Hitler or the heads of any other nation in Europe where freedom of thought and speech are looked upon as a joke. How can we reconcile ourselves in dealing with those who have fallen so far back into barbarism that they would take away from us the prized possessions of our Constitution, freedom of speech, freedom of religion, and freedom of the press? We do not talk the same language with them, and until they can see it our way we never will.

Our children read the works of the great poet Heine, the works of Goethe, hear the glorious music of Wagner, and then are told by us that the nation which produced these geniuses exiles the great Einstein because he happens to be a Jew, that it exiles all Jews, throws out Thomas Mann, one of the greatest of living authors, and would go back to the age of tooth and claw.

Our newspapers are a daily record of the collapse of civilization in the land of the dictators. Reporters from foreign countries who tell the truth in Germany are expelled. Catholic priests are jailed for worshipping according to their own light. Thus does Hitler rule. One thousand newspapers are suspended because their editors dare to tell the facts. Reich law has become an official's whim. More than a half million people have been deprived of their political rights, their civil status, and while facing exile have become wards of the state, to be kicked about. The land of Wagner has become a musical joke. Hitler has ordered classical operettas, but the Aryan laws prohibit such tonics as Offenbach's *Orpheus* and his *Tales of Hoffman*. Oscar Straus' *Waltze Dream* cannot even be played, nor can the people hear the catchy tunes of Leo Fall. Jewish composers, Jewish actors, and Jewish producers are supposed to have been eliminated from the face of the earth.

An official order bars Jews from teaching music, on the grounds that they are not members of the Reich Music Chamber. It forbids even private instruction by Jews. Jewish war veterans and families of Jewish soldiers who died in the war for the fatherland are ordered to vacate the apartment houses specially built for them by request of the late President Von Hindenburg.

Charles Chaplin pictures are now being prohibited because there is a mustache resemblance of Hitler.

Let us beware of entering any combination with any nation which has ceased to rank as a civilized country. There is no room here for those who believe in pogrom methods and ghetto-making. What can be more shameful, for instance, than the desperate plight of the Jews in Germany who will have to transfer their mass population to scattered points of the earth? Not only are they to be expelled, but their money and their goods are to be retained. Such is civilization outside of our borders.

What have we in common with nations which, on a mere whim, ban our great newspapers from their borders. We read, for instance, of the policy of great severity inaugurated by Italy against foreign newspapers which may not always agree with her policies. The great New York Times was banned by Italy, also the Chicago Tribune. At one time, only a month ago, all British newspapers with the exception of four were banned from Italy. In this free country all this is difficult for us to understand, but there is very little freedom of the press left in this world; and where there is, there is freedom of the people.

In the face of all these destructive censorships of the freedom of the creative mind you may imagine what would happen to our motion-picture industry if it were caught in the trap of an international combination. American film companies have a capital investment of \$2,500,000,000, and 28,000 people are regularly employed in the production of motion pictures in the United States, in addition to 25,000 extras. Hollywood's annual pay roll is \$75,000,000, and the industry spends annually \$120,000,000 for supplies and other requirements. The burdens now imposed upon our motion-picture industry in the form of quota laws, restrictions, and prohibitions show that it is the greatest urgency that we do not adopt any bill that will give foreign nations a further stranglehold on us. Congress should be free from the restraints of the Bern Convention, so that it may place restrictions upon the protection afforded under the Copyright Act to the nationals of any country enacting discriminatory laws or oppressive measures against owners of American copyrights. That is no more than fair to us if we are to protect ourselves from those who would even pick the gold from our teeth. Why throw our rights away? We have seen enough of the turmoil in Europe to know what would have happened to us if we had joined the League of Nations. The Bern Convention is one of the many trapdoors in which we are expected to slip.

The only power Congress has to effectively safeguard American copyrighted works against discrimination abroad is by amendment of the copyright laws, if, as, and when the occasion arises. Adherence to the Bern Convention bars Congress from the exercise of this salutary power. Congress should not obligingly surrender this power and thereby lead foreign nations to believe that their discriminatory practices against American copyrighted works may continue with increased intensity and even multiply.

It is about time we began to think of our own rights. We have sacrificed the flower of our manhood on the fields of Europe for an ideal; we have poured out billions of dollars which we will never get back; and, in return, we are surrounded by greed and envy. Charity begins at home, my friends, particularly if it is to protect the best things in life which are essentially American—freedom of religion; freedom of speech; freedom of the press; and a free will to pursue our own happiness without interference from upstarts who are trying to drag Europe back into the Dark Ages.

Think of these things when you see the Stars and Stripes floating in the breeze. The red, white, and blue has never meant more to a free people than it does today in this world crisis. Friends, this is just a brief illustration of what is going on in Germany, a country that was once one of the greatest civilized nations of the world.

And until I visited Germany recently I did not realize the great injustice being done the Jewish people in that country. I had constantly read and heard of this inhuman fight against the Jewish people by the powers that be in Germany, but I did not realize to what extent it was carried on.

Everything possible is being done by Hitler and Hitlerism to humiliate and degrade the Jewish people. It is a crime for a gentle young woman to associate or to be seen with a Jew. The Jewish people are being segregated and treated in much the same manner that is accorded a person afflicted with smallpox in America. They are humiliated and insulted in public places. They are unwanted and unwelcome in the park, the theater, restaurant, railway stations, and all public places. Never before did I realize what a low-caste Hindu in India suffered at the hand of the high castes. The degradation of the Jews by the Hitlerites showed me what it was.

The spirit of Hitlerism must be destroyed. It is not the rank and file of the German people who are fighting the Jewish people. The average German man and woman are a fine, home-loving people, but they are being led, directed, and driven by a group of selfish bigoted politicians who happened to get the reins of control of government into their hands and are making a terrific fight against the Jewish people to keep the attention of the home-loving German people from dwelling too much on the crude, selfish efforts made to loot Germany by the politicians in charge.

They have degraded the Jewish people in Germany. They have hurt and humiliated their families and children, but, thank God, they cannot, and will not, destroy the spirit and morale of the Jew. This will live forever.

THE TOWNSEND PLAN

Mr. SOUTH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and to insert in the RECORD a reply which I made to one of my constituents, chairman of a Townsend group, and to include three excerpts from H. R. 7154.

The SPEAKER. Is there objection?

There was no objection.

Mr. SOUTH. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following letter written by me to one of my constituents:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., March 2, 1936.

Mr. H. L. HARDEMAN,
President, San Angelo Townsend Club,
San Angelo, Tex.

MY DEAR MR. HARDEMAN: I am in receipt of a letter as of February 18, from the San Angelo Townsend Club, signed by you as president, and Mrs. Joe Haney as secretary. I have read this letter very carefully, the last paragraph of which reads as follows: "We ask your unprejudiced consideration of this plan and its claims, and we would be pleased to have a definite commitment from you as to your present and future attitude toward this proposed legislation, that we may rightly inform your constituents in this regard."

Since this movement has a considerable following throughout the country, and since your club has requested a definite commitment from me as to my views with reference to the adoption of the plan, I am writing you somewhat at length in order that my position may be fully understood by my constituents.

Every right-thinking person must evidently deplore the unhappy condition in which this country found itself a few years ago, and from which it has not entirely recovered. There is no good reason why a few individuals and concerns should so completely dominate and control the destinies of the great majority of our citizens; there is no good reason why millions in America should be deprived of sufficient food and clothing when we have a surplus of both in this country.

This does not mean, however, that a cure for this economic disorder is to be found in every suggested panacea or utopian dream which is advanced merely because the condition itself can easily be pointed out, and is condemned by every right-thinking person. The Townsend plan, which is offered by you "as a genuine program for economic security", makes a strong appeal to the imagination. It immediately stirs our sympathies, for few there are who begrudge those in declining years comfort and ease. It arouses hope of relief in those whose burdens are heavy, and upon whom the care of the aged has fallen, or will fall, and as has been said before, "The wish is father to the thought." We should bear in mind that a wish, however noble, cannot be substituted for clear thinking.

Let us analyze the Townsend plan; it proposes to pay \$200 per month to every citizen of the United States 60 years of age and over, who is not receiving from any source a net income in excess of \$2,400 per year, and requires that such person shall not engage in any gainful pursuit, and provides that the total amount received shall be spent during the current calendar month in which it is received, or within 5 days thereafter. In 1930 there were 10,479,028 persons in the United States 60 years of age or over out of a total population of 122,775,046. Of course, all of these people would not apply for the pension. It is generally agreed by both the proponents and opponents of the Townsend plan that 8,000,000 or more would apply for the pension if the plan should be adopted, and that the cost per year would amount to at least \$20,000,000,000.

As shown by the Department of Commerce, the annual income for 1935 was considerably less than \$50,000,000,000. Thus, to pay the annual cost of the Townsend plan would require approximately 40 percent of the annual income and about eight times the present normal revenue of the Federal Government received through taxation. I have just called on the Bureau of Agricultural Economics and am advised that the total income from all agricultural products, which includes vegetables, fruit, poultry, and products of the farm and ranch, for the year 1933 was \$6,406,000,000; for 1934, \$7,266,000,000; and for 1935, \$8,110,000,000. This represents the efforts of some 30,000,000 people, and yet the total income for the 3 years mentioned would barely be enough to pay the cost of the Townsend plan for 1 year. Do you believe that our people can stand a tax, for this or any other purpose, which will amount to almost three times the total income of our farms and ranches?

Suppose you attempt to apply this proposition to any given local area. And even if the amount could be raised, which I am not conceding, is there any justification for taking from the meager incomes of families who have children to clothe, feed, and send to school, doctor and medicine bills to pay, and other expenses incident to rearing a family, one-fifth or more of what they receive in order that some older person whose family is already reared and educated may have an income four or five times as great as the income of the family so contributing? If the Townsend plan were adopted this condition would exist in a great many instances. The income of the average wage earner for the period 1910-29 was \$42.60 per month. The Townsend plan would pay a pension of \$200 per month, or more than four times the average income of a wage earner.

I am well aware that Dr. Townsend and his followers claim that the adoption of this plan would result in increased production and that everyone would profit as a result. It is my belief, however, that we can neither spend nor tax ourselves into prosperity. The few months immediately preceding the recent crash witnessed the most lavish spending this country has ever seen, and, instead of increased prosperity, we saw the beginning of economic chaos and ruin. I am sure you do not contend that the taxing feature of this plan has any efficacy, except that of producing revenue,

the spending of which is calculated to speed up business and increase production.

Do you not think that a more equitable and a less burdensome and destructive means of raising revenue could be devised than a transaction sales tax, from which it is admitted the major portion of the money for financing this plan is to be raised? An increase of one-tenth in the personal income taxes paid during 1935 (for the year 1934) would have amounted to less than \$51,000,000, and it is estimated that the 2 percent on gifts and inheritances would yield not much more than \$25,000,000 annually. Quoting from page 4, beginning at section 2, of H. R. 7154, the revised McGroarty bill, now pending before Congress, which the Townsend followers are sponsoring:

"(a) There is hereby levied a tax of 2 percent upon the fair gross dollar value of each transaction done within the United States and Territories; also, in addition to all other taxes, a tax equal to one-tenth of the tax levied upon all incomes under the provisions of the Revenue Act of 1934 or any amendment thereto; also, in addition to all other taxes, a tax of 2 percent upon the fair dollar value of all transfers of property by devise, bequest, or other testamentary disposition or legal descent and distribution of property, as now or hereafter taxable under the provisions of the Revenue Act of 1934 or any amendment thereto; and also, in addition to all other taxes, a tax of 2 percent upon the fair gross dollar value of every gift in excess of the fair value of \$500."

In this connection it is well to inquire what is meant by the term "transaction." On page 2 of the bill, beginning at section 1, this term is defined as follows:

"The term 'transaction' for the purposes of this act shall be defined so as to include the sale, barter, and/or exchange of either or both real or personal property, including any right, interest, easement, or privilege of commercial value therein or related thereto, whether actually made at the time, or only then agreed to be made, and whether under executed or executory contract or otherwise; also including all charges for interest, rent, commissions, fees, and any other pecuniary benefit of any kind directly or indirectly derived from or for any loan, deposit, rental, lease, pledge, or any other use or forbearance of money or property; and also including the rendering or performance of any service for monetary or other commercially valuable consideration, whether by a person or otherwise, including all personal service."

If the plan proposed a simple 2-percent sales tax this would, of course, be quite different. The tax proposed in this bill is a tax of 2 percent on every transaction. Take, for example, a pair of overalls which retails for \$2. The purchaser would pay 4 cents tax, but the transaction tax does not end there. When the farmer planted the cotton from which the garment was made, this 2-percent tax was added to the cost of the cottonseed; likewise 2 percent on all wages paid by him, including the picking and ginning. The cotton buyer would pay 2 percent; also the manufacturer, the wholesaler, who would in turn charge 2 percent to the retailer, as above stated. Under this plan you will note that the tax is made specifically applicable to barter and exchange, so that the value of property or articles traded or exchanged would be taxed. It specifically taxes wages, salaries, rents, and all other transactions of whatever nature.

We must not lose sight of the fact that taxes are taxes and must be paid by someone, and in turn added to the cost of the things which are bought and sold. Taxes collected under the Townsend plan would be just as burdensome as taxes for other purposes. The poor, the lame, the halt, the blind, as well as the more fortunate, cannot escape its operation. The average annual cost of this enormous tax burden would equal at least \$160 for every man, woman, and child in the United States. The present per-capita tax, including school, road, city, county, State, and Federal is estimated at \$122. Fortunately, the present tax burden is by no means equally distributed on a per-capita basis; some individuals paying more than \$1,000,000, and many paying no tax at all. A vast majority of the people throughout our section of the country pay no Federal tax, or practically none. The \$160 average required to finance the Townsend plan would be a Federal tax and, as stated before, no one would be able to escape it. It would increase the present total taxes of our people over 150 percent, and every dollar of this enormous sum would represent the surrender of some taxpayer's labor, or property, or both.

Dr. Townsend and his followers insist that the adoption of this plan will insure prosperity and plenty far beyond what we have ever experienced. It should be remembered that every dollar which the farmer and wage earner contributes to this cause will reduce the amount which he has to spend just that much. He will be further impoverished by the excessive tax which he will be forced to pay on everything he buys. I believe it to be my duty, as a Member of Congress, to sponsor legislation which will insure the greatest good to the greatest number. It must be evident to you, from my analysis of the Townsend plan as above given, that I do not believe it meets this test. In other words, I cannot support the Townsend plan because I believe it would work a distinct hardship on more than 92 percent of our people for the supposed benefit of less than 8 percent.

I wonder if you have given some study to the social credit plan sponsored by Mr. William Aberhart, who was elected Premier of Alberta, Canada, on June 22, 1935. Mr. Aberhart's party was voted into power because he, as its spokesman, had promised to pay every adult citizen of Alberta \$25 per month. Children, upon attaining the age of 16 years were promised \$5 per month, the amount to be increased each year until it reached \$25. This plan evidently appealed to the voters, but, now that the gentleman is in office committed to the plan, he has been unable to find the revenue with

which to pay it, although thousands have demanded immediate payment. He now estimates that it will be some 18 months or 2 years before the plan can be put into operation. His plan evidently sounded good to many, coming from a demagogue, a politician, or from some uninformed persons who didn't know what it was all about. When given a chance, it hasn't worked, but has only made bad matters worse.

In my opinion, the social-security law recently enacted by Congress, if given a fair chance, will take care of the situation reasonably well. Later on, if the Federal Government can afford to pay more than the \$15, as provided in this law, additional amounts can be provided by subsequent legislation. I consider it much better to promise something substantial, which can be realized, than to sponsor a plan which promises much, and, in my opinion, will be able to accomplish nothing of value.

Very sincerely yours,

CHAS. L. SOUTH.

PUBLIC OWNERSHIP AND COOPERATION IS A REMEDY

Mr. COLDEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. COLDEN. Mr. Speaker, the rugged individualists who have enriched themselves by special privilege and who have reduced millions of our people to ragged individuals, are flooding the country with propaganda denouncing the attempts of Government control of its economic policies. Such organizations as the United States Chamber of Commerce, the National Economy League, the American Liberty League, and similar organizations, including the Power Trust, the lawless holding companies—the wolves of our economic life disguising themselves with the innocence of lambs, are using all the instruments of public information and all the agencies of communication to poison the mind of the public against the New Deal, in its efforts to curb racketeering and other means of exploitation that wring from the workers their meager earnings and savings.

Big shots of business and their satellites, including an ex-President, politicians, and puppets of every caliber, from pea shooters and popguns on up to the millionaires and billionaires, are pulling invisible wires and firing vocal broadsides to disrupt and to defeat the plans of the New Deal to bring under control the financial brigands who have scuttled industry, crucified labor, and preyed upon the consumer and investor for many years.

THE BIG BOYS FLIP-FLOP

These overfed, overrich, overlords are howling about extravagance, Government interference in business, and holding up their hands in holy pretense in defense of the Constitution, yet these same hypocritical highbinders were the first to rush to the Government for help after the October crash of 1929. Billions of Government funds were poured out to save the banks, insurance companies, railroads, and other enterprises which had been their pawns. Then these selfish and greedy privileged interests, who were rescued from bankruptcy and ruin, applauded and sang songs of praise. But when the New Deal extended relief to the forgotten man, fed the hungry, aided the destitute, and furnished work for the unemployed, then psalms of praise were changed to volleys of vituperation and tirades of misrepresentation. Avarice and greed have no hesitation to bribe and subsidize, to falsify, and to betray in order to defame, depose, and destroy the leaders of the crusade for a New Deal. Who would have believed before the 1929 catastrophe that the plunderbund of our country was so venal and so treacherous?

WE DWELT IN CORRUPT CONTENT

In spite of the torrents of propaganda that are flowing out from the printing presses and the public platform, a large number of the wide-awake progressive citizens of this country realize the deceit and the hypocrisy of a privileged few and are aware of the seriousness of the crisis that now faces the American people. These wholesale attacks against the Roosevelt administration have a tendency to draw a clean-cut line between those who believe that the Government is for a few and those who believe in a Government for the many. For years special privilege has fattened itself by discriminating tariff laws, by privileged banking laws, the legal and financial advantages of corporation laws,

and by the monopolization of industry and enterprise; and we as individuals accepted with indifference, and like our cities and Commonwealths, dwelt in corrupt content.

THE POWER TRUST DEFIES LAW

Probably the most outstanding defiance by corporations of the laws of this country is the open violation of the holding utility companies and the Power Trust in flouting the President, Congress, and the laws of these United States. Not only have many powerful corporations refused to register with the Security and Exchange Commission, as required by the Wheeler-Rayburn Act, but they have brought numerous suits for the purpose of cluttering up the courts and to thwart justice. The great Power Trust endeavors to hide its crimes behind the Constitution by a cloak of hypocrisy and clever deceit.

HOPSON AND HIS HENCHMEN

Remember the story of Hopson? He is the type of the frenzied financier who rushed to the Constitution for a refuge and yodeled for help against the New Deal and yapped about the "brain trust." It was his henchmen that sent hundreds of thousands of telegrams and letters to Members of Congress to defeat the Wheeler-Rayburn bill. It was his unscrupulous gang that used the voices and messages of the dead to defend his voracious greed and to defeat justice. He was the witness who ducked and dodged, slipped and sneaked about for weeks to evade the utility investigation. He was the white-livered, yellow-hearted patriot who participated in millions of profits while his widow and orphan investors did not receive a dime. Now, the Government has filed claims for many millions against this defiant rugged individualist for unpaid income taxes. How much longer will the common citizen tolerate this sort of fraud, hypocrisy, and bamboozlement? Listen to the bawling about the Constitution. Like the farmer's calf, the bigger it grows the louder it bawls. This is the sort of double-faced patriotism that weeps for the widows and orphans he has robbed, howls about communism he has created, and seeks the protection of the Constitution and the law he has flagrantly defied.

Giant corporations of the Power Trust expended millions to defeat the Wheeler-Rayburn bill on the floor of Congress. Senator BLACK, the chairman of the Senate investigating committee, estimated that the holding companies expended approximately \$5,000,000 for the defeat of legislation the only purpose of which was to give some degree of protection to both the investor and the consumer upon which the Power Trust has been preying, feeding, and fattening.

FILCHING MILLIONS

To show the mercenary and greedy character of the corporation life of our country, one needs but to refer to the report of the investigations of the Federal Trade Commission, supplemented by the hearings held by committees in the Senate and the House on the activities of some of these giant corporations. For example, it was discovered that the Electric Bond & Share Co. in the year 1927 assessed its operating companies over \$9,000,000 for supervision and for performing services for which the holding company had incurred but a little more than four million for these same services. Thus a clear profit of about \$5,000,000 was exacted from the investors and the consumers and pocketed by the holding company by methods that would make the ordinary stick-up man look like a piker. This is but one of numerous examples of fraud and deceit. And such as these wail about their constitutional rights and blast the New Deal from every corner.

A LONG ISLAND STEAL

Just recently a New York State Senate committee in investigating utilities made the following statement about a Long Island lighting company. The utility company paid \$1,500,000 for one of its properties. This same company valued this property at \$670,000 to the tax assessor and it was so assessed, but for the purpose of fixing the rates to the consumer who pays for the light and power the valuation was placed at \$4,000,000. Thus these manipulators placed a value on the property about six times as high to the public for rate making as it did to the State for taxpaying purposes.

Four brilliant and superoperators and principal stockholders, in adding an operating plant to their company, took off a slice of \$85,000 each as a commission for turning over a company that they owned to another company which they owned. Can anybody figure out a worse gamble and financial legerdemain? These same financial tricksters paid \$11,000,000 in dividends in 9 years on a \$3,000,000 investment, or more than 360 percent, or more than 40 percent per year, while some consumers were forced to reduce or to cut off light and power because of their depressing circumstances.

JUSTICE MISCARRIES

The Insull financial farce of Chicago is one of the outstanding examples of the predatory career of unregulated and unrestrained holding utility companies. After the Insulls, by hook and crook, amassed a stupendous holding company of \$2,000,000,000, by which numerous prosperous operating companies were entangled and milked of their earnings, in addition to the selling of millions upon millions of worthless stock to widows, orphans, and other innocent investors, the bubble burst. The debacle exposed dreams of frenzied finance, the reckless violation of law and business morality, and subtle, shady practices. The Insulls fled to foreign lands. After many months Samuel Insull was captured in Greece at great expense. Brought home a prisoner, he was tried and acquitted by the courts. The citizen asks, Why and how? This is an example of the futility of regulation.

CORRUPTION A WEAPON

So far have parasites of privilege, the devotees of greed, wandered from the straight and narrow path of fair dealing and economic justice that they have poured millions into the itching palms of perverted publishers who issue screeds about the "raw deal", "soak the thrifty", "soak the successful", "soak the saving", and other deceptive slogans of the demagogue and the charlatan. The slimy finger of greed has even reached the pulpit in some instances, has betrayed the professor in his study, and has spread its poison into the school textbooks of the country. There is no power under the blue canopy that these propagandists have not used to pollute and to poison the mind of the people of this Nation.

REGULATION A FAILURE

The effort to control holding companies by the State and Nation has been one of disappointment and disrepute. Scarcely a State in the Union that has tried to regulate utilities and corporations but has had numerous examples of the defeat of justice, and the rights and the security of the public. But a few months ago the entire country was startled with the exposure of a Colorado corporation that had purchased the influence of a prominent Denver newspaper in a gas franchise controversy at a cost of about \$350,000. No doubt there are hundreds of similar instances of the corruption of the public press throughout this country. Many of the violent attacks upon President Roosevelt and the New Deal are provoked by those who have been bought and paid for and violate the trust that devolves upon every honest and patriotic publisher to his readers.

Lawless corporations have not only corrupted newspapers, magazines, and other avenues of public thought, but they have insidiously entered politics, have controlled governors, judges, boards of supervisors, State legislators, and officials have disclosed that millions of dollars have been spent by the Power Trust to influence officials and public opinion in order to gain valuable franchises and other objectives which serve their greed. Scarcely a great city in this country but at some time in its history has been found reeking with corruption and being sapped by the parasites of privilege. The political machinations of these greedy groups are constantly maneuvered on the political field and behind party lines to promote their puppets and to destroy the patriots who endeavor to restrain them.

THE GROWTH OF CORPORATIONS

Berle and Means, in their illuminating volume entitled "The Modern Corporation and Private Property", discloses an amazing story of the growth of the corporations. It

gives us the interesting information that in 1800 there were but 335 private corporations in this country. Their ownership at that time was largely confined to highways, bridges, and canals. That 130 years later, in 1930, 14 railway corporations operated 87 percent of the first-class mileage of the Nation. That in 1930, 200 corporations had assets of more than one hundred million each, and that 15 corporations had a capitalization exceeding one billion each. That 200 corporations had assets of more than \$81,000,000,000, or practically 22 percent of the entire wealth of the country. That these 200 corporations, less than seven one-hundredths of 1 percent, controlled nearly one-half of the corporate wealth of the United States, and that 2,000 persons controlled one-half of the industry of the country.

THE CONCENTRATION OF WEALTH

One of the most alarming results of this unparalleled growth of corporations is that the savings of the Nation are passing from the individual to great corporations and a few individuals. Our Capacity to Consume, published by the Brookings Institution, discloses the startling statistics that in 1929 the savings of 10 percent of the individuals having the highest income were 86 percent of the total savings of that year, while the 80 percent of the population with the lower incomes were able to save but 2 percent of the entire savings of the country. Leo T. Crowley, Chairman of the Board of Federal Deposit Insurance Corporation, made the statement on February 21, 1935, before the House Committee on Banking and Currency, that 1.6 percent of the depositors in the banks of the United States owned 65 percent of all the deposits in the 15,119 banks operating under the F. D. I. C. at that time. An analysis of these statements clearly discloses that the wealth and savings of great corporations are piling up at a tremendous pace, while the average individual has been obliged to consume all of his earnings and is less and less able to set aside savings for age and adversity. This situation arouses the demand for social security, including adequate pensions for the aged and unemployed, who have produced the wealth of this country and have been stripped of their earnings and their savings and their investment. Millions have been reduced to an economic twilight on the verge of penury, deprived of everything but the bare necessities of life, while a few soar on golden wings to heights of opulence and luxury never before known in the history of the world.

IS THERE A REMEDY?

The disappointed and defeated citizen who believes in fair dealing and a new deal in which all may participate frequently asks the question, "What can we do about it?" There is an answer. There is a remedy. The only way out is by cooperation and the public ownership of public utilities and all other agencies that are monopolistic in character. If every community and city in this land owned and operated its light and power, water and gas, and other public-service agencies, it would remove the defiance of the law. It would eliminate a prolific source of corruption in our Government; it would afford the investor security for his earnings, a fair price to the consumer, and better wages for the worker.

In addition to public ownership or production for use and not for profit, another very much desired reform would be to socialize great corporations. Every corporation in America doing interstate business should be compelled to take out a license with the Federal Trade Commission, or some other agency of the Federal Government, and be compelled to protect the investor, to abide by a living standard of wages, and reasonable hours, to eliminate child labor, and to recognize the right of the workers to organize and to have a hearing of their grievances, and to be fair to the consumer.

Coteries and cliques of exploiters should be prevented from amassing the voting power of a corporation and from denying a single stockholder a voice in its affairs. No corporation should be allowed to accrue enormous surpluses that rightfully belong to the investors, the workers, and the consumers. Is there any legitimate reason why the worker should not participate in the dividends of a corporation as well as the investor? It has been the custom of most corporations to pay to the worker and to the investor only what circumstances

impelled them to pay, while huge salaries and swollen profits flowed into pockets of a favored and select few.

Is there any legitimate reason why a few bankers should enjoy the control and profit of the credit and the credit currency that rightfully belongs to all of the people? The Constitution says "Congress shall have power to coin money and to regulate the value thereof." Here is an opportunity for the Economy and the Liberty Leagues to demand that Congress exercise its rights in behalf of all the people. The Federal Reserve banking system should be owned and controlled by the Federal Government and every dollar of paper currency be issued by it. Too long have the people of this country suffered by the control of money and credit for the profit of a privileged few. Many of the governments of the world own and control the banking system and the issue of credit money in the interest of the Government and the people instead of the system of our country, which enables selfish financiers to control the bank money and the bank credit of our Nation. No reform is so necessary and so fundamental as the Government control of banking, currency, and credit.

WHAT IS THE ANSWER?

In order to eliminate the unequal distribution of wealth, the piling up of great fortunes on the one hand and the reduction to poverty on the other, drastic forms must be initiated. Instead of economic life being dominated for the benefit of a few, there must be opportunity and security for all. Why should a few men in any city operate gas companies, light and power companies for their individual profit and wring swollen gain from the pockets of many whose wages are small and whose comforts are meager? Public ownership is a complete answer. It is within the reach of the voters of every city of America. There may be local obstacles, but a determined public can remove them. Constitutions and laws can and should be molded to serve the welfare of the people.

LOS ANGELES AN EXAMPLE

Public ownership is not an idle term nor an untested theory. The city of Los Angeles is an outstanding example of what can be achieved by municipal ownership, production for use and not for profit. In 1898 Los Angeles, which had practically given away its water system at an early date, repurchased it at a cost of \$2,000,000. The system was inadequate and inefficient, but the city began rebuilding and improving it and gave the consumers a reduction of 63 percent in domestic rates. The city, the bungalow owners, built an aqueduct 250 miles in length at a cost of \$25,000,000. Today the people of Los Angeles enjoy mountain water at a cost of 13 cents per 100 cubic feet, as compared with an average of 18 cents charged in 183 of the largest cities of the United States, most of which pump their water from nearby rivers and lakes.

The water plant of Los Angeles has been expanded with great rapidity to keep up with the population that has grown by leaps and bounds. Because of the large area of the city, and the use of water for irrigating purposes, the demand has been greater upon the capacity of the plant and the need of improvements than possibly in any other city in the world. Reduction after reduction has been made in the water rates. Notwithstanding these reductions and the tremendous improvement program that has been carried out, today the people of Los Angeles have an equity built up from the earnings of its water plant of nearly \$80,000,000. The assets of the entire plant is approximately \$150,000,000, and the municipal water bureau of Los Angeles has gradually reduced the indebtedness from earnings to approximately \$70,000,000.

LIGHT AND POWER

Los Angeles has achieved similar results in the ownership of its power and light. The city of Los Angeles embarked on this enterprise in 1916. It now has a plant of light and power with assets of about \$96,000,000, with outstanding bonds of about \$38,000,000, leaving an equity of over \$50,000,000, built out of the earnings of the system. This substantial equity has been built up in spite of the opposition and the antagonism of rival private utilities along with repeated reduction in the rates to the consumer.

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Los Angeles is not alone in its adventure into municipal ownership. The publicly owned system of light and power by the Province of Ontario, the outstanding enterprise of Tacoma, Wash., the success of the Tennessee Valley Authority program, are supplemented by hundreds of examples of municipal enterprises scattered throughout the country. Boulder Dam is another public project with great promise.

OTHER CITIES SUCCEED

Some cities have found the ownership of light and power so profitable that they are paying their entire municipal expenses from the proceeds. This system cannot be defended as a just system of taxation, but it does prove the great profits that are exacted under private ownership from these enterprises. Mifflinburg, Pa.; Chanute, Kans.; Bloomfield, Iowa, and a number of other communities are among those who have eliminated all city taxes by the profits of public ownership of the local utilities. In a recent list filed in the Congressional Library, Oklahoma is given credit for 55 cities without taxes because of the profits of municipal ownership; Kansas, 7; Indiana, 3; Michigan, Iowa, Minnesota, Wisconsin, Nebraska, 2 each; Georgia, Texas, Vermont, Idaho, Washington, New York, New Jersey, Wyoming, and Pennsylvania each have 1 tax-free city because of the blessings of public ownership.

The Burns & McDonald Engineering Co., of Kansas City, Mo., have compiled some enlightening figures showing the profits of municipally owned light and power plants for the year 1934. These facts, which are more potent to the thinking citizen than the Power Trust propaganda that floods the columns of the public press, are as follows:

	Net earnings
Los Angeles.....	\$7,267,374.33
Cleveland.....	1,661,726.74
Seattle.....	3,381,403.80
Tacoma.....	1,624,111.02
Pasadena.....	871,262.58
Springfield, Ill.....	338,749.91
Jamestown, N. Y.....	429,964.96
Colorado Springs.....	512,664.07
Winnipeg, Canada.....	2,034,865.39
Glendale, Calif.....	550,930.92

Note that Pasadena has a population of about 76,000; Tacoma, 107,000; Springfield, 72,000; Glendale, 63,000; Colorado Springs, 33,000; and Winnipeg, 209,000. Not only do these municipal plants earn enormous profits that rapidly pay off the cost of the plants and extensions and improvements, but the consumers enjoy better rates.

SUCCESS IN KANSAS

The city of Chanute, Kans., owns and operates its water, power, and gas plants. The population of Chanute is about 10,000, and no city taxes have been assessed or paid since 1930. All city expenses have been paid from the surplus profits of the city-owned utilities. Not only do these utility profits pay for police, fire, and health protection, but also the maintenance of the streets, parks, playgrounds, airport, municipal band, and other facilities of a progressive city.

The rates charged in Chanute for gas are 45 cents per thousand cubic feet for the first 10,000 feet to 30 cents per thousand about 100,000 feet. The water rate begins at 25 cents per 100 cubic feet to 1,201 cubic feet and to as low as 8 cents in large quantities. The lighting rate is 6 cents per kilowatt for the first 50 kilowatts and the power rate 3½ cents per kilowatt. The lighting rate for over 100 kilowatts is 4 cents and the power rates are as low as 9 mills per kilowatt. A rural rate is extended to surrounding farms at 4 cents per kilowatt for 100 or more.

PUBLIC SERVICE VERSUS PRIVATE PROFIT

The private utility has but one objective—profit for the owners. It is a noticeable fact that the early development of municipal ownership has been in the field of water supplies. The reason is evident. Under private ownership and profits the water supply was frequently inadequate or was dangerous to the health of the community. As a matter of health and sanitation a plentiful supply of pure water was necessary for the health of the inhabitants. Consequently these communities were forced to purchase and operate these plants in order to supply themselves with good and

abundant water. The first purpose in a municipal water plant, or any other publicly owned institution, is service to the public at the least expense so that all may avail themselves of its benefits. This illustrates the great fundamental difference of private ownership for profit as against public ownership for service and for the widest application of its use. It is an application of that new maxim of economics—"production for use and not for profit."

A SOUND INVESTMENT

Another marked advantage in public ownership is that the investor in the bonds of a municipal plant rarely suffers a loss of any kind and rarely misses a dividend. The investor in municipal securities has a sound investment, in striking contrast to the investor in private companies, the assets and the earnings of which are subject to racketeering manipulation and speculation in order to add to the profits of the few who are in control. Not only is the investor better protected under public ownership but the consumers enjoy a better service at a less cost. The rapid growth of industry in Los Angeles, and in other cities that own and operate their own plants, has been largely due to the cheaper light and power afforded by their communities.

What is true of the investor and the consumer also applies to the worker. The worker for a municipal plant is usually assured better wages, and at least more permanent employment, than is his fellow worker employed by a private company. The municipal plants do not have the heavy overhead, the earnings are not drained off by high salaries, and there is a more uniform distribution of the earnings among the investors, the consumers and the workers, than in the privately owned plants. The income is not piped off to New York and other financial centers, but remains in circulation in the home town.

CAPITALIZATION FAVORS PUBLIC OWNERSHIP

One of the decided advantages of public ownership is in the capitalization of its enterprises. Private companies sell both stocks and bonds and frequently dispose of more stock than the assets of the company warrant. "Watered stock" is a current term in the language of the utility business. It indicates that someone has been oversold and eventually must suffer loss, and that somebody is profiteering by selling stocks that have no corresponding value back of them. In public ownership no such term is known. When bonds are sold to build, or to purchase a private plant, or for improvements to a publicly owned plant, every dollar is accounted for. There is something tangible behind the bonds of a municipality or other political subdivision that engages in a public-utility enterprise. On the other hand, the private utility issues preferred stocks and common stocks, and then usually mortgages its assets to their full capacity by the issue of bonds. Thus the private utility must meet the interest on its bonds and pay dividends on the stocks, thus having a double liability.

Whenever the private utility desires to make improvements, it usually makes no attempt to provide for these improvements out of the earnings, but issues more stocks, more bonds. The result is that the investors are buying more watered securities, the consumers paying higher rates, and the profiteers and manipulators are pocketing higher and greater profits. The public utility must establish a sinking fund and make provision for paying off its bonds year by year. The result is that the publicly owned utility is constantly reducing its capitalization, while the private utility is continuously increasing its liabilities.

Take the case of the Long Island company, to which previous reference has been made. Its owners lifted its valuation millions of dollars and the profits drained into the pockets of the manipulators. Under public ownership this plant would have paid for itself within a few years, thereby giving its consumers a rate that would be but a fraction of the amount exacted by the private utility.

LOWER RATE OF INTEREST

Not only has the publicly owned plant no dividends to pay on stocks and no bonuses and prizes to divide among the profiteers but it is paying its indebtedness on an amortized plan that will eventually eliminate its entire capitali-

zation. Furthermore, the municipality can usually borrow its money at a lower rate than can the private utility, thus reducing the cost of overhead. The city plant buys no franchises and pays no direct taxes, but in most instances the publicly owned plants furnish free water for public buildings and for fire protection, free lights for municipal buildings and street purposes, and contributes much more to the community than does the private company in direct taxes.

NO SLUSH FUNDS

The publicly owned companies are not required to provide slush funds to pay political workers in city elections or to bribe city or other public officials. The publicly owned company does not have to pay heavy promotion fees nor expensive bonuses to banks or make contributions to corrupt politicians, so the advantages from the standpoint of better service, lower rates to the consumer, better and more uniform wages to the employee, and cleaner politics are all on the side of public ownership.

These benefits which are evident in the public ownership and operation of water and light and power should be sufficient to point out similar benefits in the operation of gas companies, transportation, and communication. Here is one of the problems of the country that is rooted in the life of every community. If these communities are awakened and grapple with those who profiteer on them and bring such enterprises within their ownership and control, then with a public that is educated in the fundamentals of public ownership it would be much easier and would remove many of the difficulties in the way of a State program of utilities and enterprises that exercise a monopoly within its boundaries.

VALUE OF COOPERATION

Public ownership is merely a means of cooperation of the people of a community, a county, a State, or the Nation. Cooperation has made great strides in many countries of the world, but it has lagged in the United States. Public ownership of railroads, telegraphs, telephones, all sorts of utilities, and of private enterprises exists throughout many countries of the world. The government ownership of railroads is quite common in foreign countries.

In foreign nations cooperative movements without the aid or direction of the Government have made remarkable progress. The Rochdale system in England is one of the great cooperative movements of the world. It is a remarkable institution. Cooperation in savings, in building, in insurance, are other features of the economic life of the peoples of Great Britain. The people of Sweden, through cooperatives, have crushed monopolies that were oppressive and exacting. The Danish farmer and dairyman have worked from tenancy and poverty to independence and prosperity by a great cooperative system that not only controls the production but the marketing of their products. Germany is another field of rich results from cooperation. In Japan, Kagawa, the Christian leader, declares that Christianity is cooperation, and practices his own doctrine by establishing cooperatives to help his fellow men to arise from the economic mire that has kept them in poverty and impaired their lives with disease and crime.

PRODUCTION FOR USE

Aside from the financial value of cooperative marketing for fruit growers, dairymen, and farmers, industrial and agricultural cooperation is proving of exceptional value to the unemployment problem in southern California. A number of communities have organized cooperatives in which unemployed find a livelihood. Necessity has fostered these cooperatives. Many aged and even infirm find employment in these enterprises since it enables them to labor as many hours and days as their health and strength permit. Each is paid by the hour in the products of the cooperatives.

Vegetable farms are cultivated, surplus fruit gathered, not only for present use but is canned in large quantities for future use. Others do baking or sewing, make furniture and other useful articles. Trucks exchange fish on the water front for fruit in the interior. These co-ops have had insufficient finances to develop the greater possibilities of this plan. Cash must be had for trucks, tires, gas, fuel, and

other necessities since the co-ops do not sell in the open market. But this experiment deserves careful nourishment and is one road out of relief to self-maintenance and an independent livelihood. This cooperative system has given birth to the movement of "production for use and not for profit" which has been denounced and misrepresented by its capitalistic and reactionary opponents.

In California the citrus growers have a cooperative organization that produces and markets a great volume of fruit that reaches the consumers of the world. Other producers in California are following this trail blazed by the pioneers in cooperation on the Pacific coast. In some States of the Union splendid results have been secured in cooperation in the production of milk and its products. Under the operation of the Milk Trust huge profits and huge salaries have been wrung from the farmer and the consumer. In many localities the farmer realizes 5 or 6 cents per gallon for his milk, and ekes out a scanty subsistence, while the consumers in nearby cities pay from 12 to 15 cents per quart, robbing babies of their needed food and families of a necessity, while those who control distribution and marketing fatten and revel in exorbitant profits.

LESSONS FROM EXPERIENCE

Public ownership and control of the public schools and our Postal System have been so long established that no one ever thinks of either as a Utopian dream. There was a time when the highways were toll roads and turnpikes with a tax at every turn. Bridges were once under private ownership, but who for a moment would want to turn back from the free highway and the free bridge? Private ownership of natural monopolies has been disastrous to the investor and expensive and burdensome to the consumer. Attempted regulation has been far from satisfactory. Public ownership has given greater security to the investor, more uniform employment, and better wages to the worker, and better service and lower cost to the consumer. It rids the public of a source of corrupt politics and raises the responsibility, intelligence, and comfort of the citizenship.

One of the greatest needs in this country is collective thinking and cooperative action. Today with our national resources monopolized by a few, our public lands exhausted, there is a demand for a new vision, new methods, and a New Deal. The constitutional guaranty of free speech and the right of franchise is materially impaired when the citizen is deprived of an opportunity to eat, to be clothed, and to be sheltered. One of the goals of America should be a decent home for every American. No man is free unless he has food and clothing and a home that fortifies him in security and enables him to speak and to worship and to vote unshackled by poverty, hunger, and fear.

STAND FIRM FOR PROGRESS

The early Pilgrims came to America for religious freedom. They braved the dangers of uncharted seas and the wilds of unknown lands to speak their own thoughts and to worship according to the dictates of conscience. Deprived of their inalienable rights of life, liberty, and the pursuit of happiness, they carried on a savage war with Great Britain and won political freedom. It is the obligation of this generation to demand social security and economic freedom and to march forward to a new era and a new destiny of peace, progress, and prosperity for all.

The hope of America is in progress and in liberalism. Fate has given us a matchless, progressive leader, Franklin D. Roosevelt. He has dared to espouse the cause of the forgotten man. For more than 3 years he has pushed forward. Reaction, privilege, and greed are arrayed against him in the approaching campaign, the most important economic struggle that has ever faced America. We may choose financial torism or economic equality, industrial peonage or security. Hesitation, doubt, indifference, personal ambition, fuses and fights, feuds and factions, splits and schisms, must be cast aside if we are to win. Shall we quibble and quarrel and waste our energies in political dissension ending in inevitable ruin? Or shall we rally with courage and unity and march forward to victory and the common weal with Roosevelt?

EXTENSION OF REMARKS

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a short poem on the cattle industry.

The SPEAKER. Is there objection?

Mr. SNELL. Mr. Speaker, for the present to any inclusion of outside matter.

CORRECTION

Mr. RICH. Mr. Speaker, I ask unanimous consent that I may change a statement made in the remarks I delivered on Thursday last, wherein I said the Speaker of the House was an honest man. That is objected to by the gentleman from Missouri [Mr. COCHRAN]. I did not intend to infer that the Speaker was the only honest man in the House. We presume that the chairmen of the various committees I mentioned last Thursday are honest men, and we know they ought to do honest things and cut down the expenditures of the various departments of Government if we are ever going to balance the Budget. The Democratic platform promised it to the American people, and we hope they will be honest men—not only on the Democratic side of the House and the Republican side as well, but with their constituents back home and make good their promises.

ORDER OF BUSINESS

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for half a minute in order to make an announcement.

The SPEAKER. Is there objection?

Mr. WHITE. Mr. Speaker, I reserve the right to object to remind the gentleman from New York [Mr. SNELL], the leader of the minority, that he just agreed to a unanimous-consent request where a Member asked to include a radio address delivered by an outside party.

Mr. SNELL. Mr. Speaker, it is not in order for the gentleman from Idaho to lecture the minority leader. The minority leader will take care of himself.

The SPEAKER. The gentleman from Texas asks unanimous consent to proceed for half a minute. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Speaker, under the order of the House general debate will run along today, and I hope that Members who wish to speak will get time, those on the minority side from the gentleman from Pennsylvania [Mr. DITTER] and those on this side from me, because tomorrow we are going to ask that the debate be confined to the bill. Those who want to participate in general debate today ought to take advantage of the situation.

ELMER H. ACKERSON (H. DOC. NO. 421)

The SPEAKER laid before the House the following message from the President of the United States, which was read:

To the House of Representatives:

I return herewith without my approval H. R. 5876, entitled "An act for the relief of Elmer H. Ackerson."

The bill provides that in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers Elmer H. Ackerson, who was a member of Caisson Company No. 2, One Hundred and Seventeenth Ammunition Train, attached to Company L, One Hundred and Sixty-eighth Regiment United States Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of that organization on the 27th day of May, 1918, and notwithstanding any provisions to the contrary in the act relating to pensions approved April 26, 1898, as amended by the act approved May 11, 1908.

The records in the case show that this man was dishonorably discharged on account of the offense to which he plead guilty, thereby eliminating himself from service in the Army during the most critical part of the war. I do not feel justified, therefore, in approving this bill.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 4, 1936.

The SPEAKER. The objections of the President will be spread at large in the Journal.

Mr. HILL of Alabama. Mr. Speaker, I move that the bill and the message be referred to the Committee on Military Affairs and ordered printed.

The motion was agreed to.

ORVILLE E. CLARK (H. DOC. NO. 420)

The SPEAKER also laid before the House the following message from the President of the United States, which was read:

To the House of Representatives:

I return herewith without my approval H. R. 1867, entitled "An act for the relief of Orville E. Clark."

The bill provides that the said Orville E. Clark, a former officer in the United States Army, shall be paid out of any money in the Treasury not otherwise appropriated, the sum of \$240, representing the 1 month's pay authorized by section 9, act of May 18, 1917, and not received by him upon his honorable discharge from the service on March 4, 1918, under the provisions of the above act.

In view of the interpretation placed upon section 9, act of May 18, 1917, by the War Department and the Comptroller General, the beneficiary of this bill is clearly not entitled to the sum named therein.

I therefore disapprove the bill for that reason.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 4, 1936.

The SPEAKER. The objections of the President will be spread at large in the Journal.

Mr. HILL of Alabama. Mr. Speaker, I move that the bill and the message be referred to the Committee on Military Affairs and ordered printed.

The motion was agreed to.

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1937

Mr. BLANTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 11581) making appropriations for the Government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1937, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the District of Columbia appropriation bill, with Mr. NELSON in the chair.

The Clerk read the title of the bill.

Mr. BLANTON. Mr. Chairman, if our colleagues will look on pages 19 to 48 of the hearings, they will find a long list of prominent citizens in Washington, and officials, many of them with salaries ranging from \$15,000 to \$75,000 a year, together with the exact amount of taxes that they pay to the District.

Gentlemen will see that upon some very fine limousines here, there is only about \$2 property tax.

One of the reasons that our committee had that matter looked into was because of the following communication that came from a prominent citizen of Washington, and I think it will be very interesting to the membership to know about it. The letter is as follows:

WASHINGTON, D. C., January 8, 1936.

DEAR MR. BLANTON: I was born in Washington, have lived here continuously for more than 50 years, and both of my parents were born in Washington. As a native I have the right to speak with authority on local affairs.

For many years the Washington newspapers have concertedly poisoned the minds of the people here with the unjustified belief that they are "voiceless" and are "overtaxed", and are "mistreated" by Congress, when there is no justice whatever in the contention. I own property in Baltimore, Philadelphia, and New York, and know that during the past 50 years the people of Washington have been better treated and least taxed than anywhere else in the United States. I know that the native residents of Washington are not sympathetic with and do not approve of this continual clamor carried on by the papers here.

If you will make an investigation of the taxes paid by the Washington Herald-Times, and Mrs. Eleanor Patterson, and by the Washington Star and the Noyes, and by Mrs. Agnes Meyer and her husband, Eugene Meyer, and their recently acquired Washington Post, and by the Washington News, and the United States News, and Labor, you will find that their properties are rendered at an assessed value far below that which they are really worth, and that none of them would sell their property for twice the amount of its assessed value.

I would suggest that you check up on the amount of taxes paid by a number of the leading citizens here, and by the officials of the District government, and you will ascertain that none of them would sell their property for twice its assessed value.

The native Washington people realize that this is the seat of government, acquired by the United States for that special purpose, and that it is and should be absolutely controlled by the Government, and we want to pay just taxes the same as all citizens elsewhere pay. We don't want gratuities from the Government, which throughout its history has always been most generous with Washington people. We are behind you and Mr. CANNON in your efforts to conserve our tax money, and to prevent waste and extravagance, and we appreciate the fact that you have kept our tax rate very low. While you are at liberty to use the above suggestions I have given you, I will ask you not to divulge my name, as my expressing views not in accord with those of the papers might injure my business.

I ask my colleagues to look up this long list of prominent citizens whose salaries range from \$15,000 to \$75,000 a year and see just what taxes they and the Washington newspapers are paying.

THE FALLACIES UNDERLYING THE ADMINISTRATION'S FOREIGN-TRADE POLICY AND SOME STARTLING FACTS IN RELATION THERETO

Mr. DITTER. Mr. Chairman, I yield 30 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and include therein a letter from a Member of Congress and my reply thereto, and also a table from a report made by the former trade adviser to the President.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. TREADWAY. Mr. Chairman, the remarks I intend to make I designate under the title "The fallacies underlying the administration's foreign-trade policy and some startling facts in relation thereto."

I think I am in possession of some very interesting as well as some startling facts, which for the most part I do not believe have previously been referred to on this floor.

My remarks will in part be based upon some of the printed statements made by the President's former foreign-trade adviser, Mr. George N. Peek. It would seem that Mr. Peek was one of the practical men of great business ability brought into this administration in order to place his wise judgment and valuable experience at the call of the administration. But in the course of time he found himself so much at variance with the foreign-trade policies that, after making a number of able reports to the President of the United States, the last one a criticism of the Canadian reciprocity treaty or agreement, he resigned. Now, perhaps he is willing that the wisdom he offered in the form of advice should be used by others. Therefore, while I possibly may not refer to Mr. Peek again in the course of my remarks, I wish to say that some of the ideas I shall present to the House at this time appear in his printed pamphlets, letters, and public addresses.

I say these are startling facts, and they prove conclusively the fallacy of the present foreign-trade program and the damage it is doing and will continue to do to American agriculture, industry, and labor.

TRADE-TREATY LEGISLATION PROMISED INCREASED EXPORTS

When the Democratic majority in 1934 unconstitutionally surrendered its tariff and treaty powers to the President, they did so upon the representation that such action would result in finding a market for our surplus commodities.

The argument was advanced that by reducing tariffs and allowing increased foreign imports, we would benefit by a corresponding increase in exports. That is the definite doctrine that every one of these Democratic supporters of the reciprocal tariff has expostulated here on this floor. I think the gentleman who spoke at the opening of the House this

morning [Mr. HARLAN] undoubtedly advocated that principle here today. It was further stated that unless this were done foreign countries would not have the necessary dollar exchange with which to purchase goods in this country.

Let us see what happened. Here is the first startling fact that I want to call to your attention:

PRESENT POLICY BASED ON MISTAKEN PREMISE

Although in 1935 we increased our foreign purchases by 24 percent, and although in addition we purchased over \$2,000,000,000 worth of foreign gold and silver at inflated prices, which was paid for in American dollars or credits, foreign countries only increased their purchases of goods in our market by approximately 7 percent.

Our gold and silver purchases under the administration's program turned our favorable balance of merchandise trade, amounting to \$234,000,000, into a net unfavorable balance of trade amounting to \$1,800,000,000. One would naturally suppose that this surplus of dollar exchange in the hands of foreign countries would have been reflected in increased purchases of American goods, but instead it was invested in American securities or left on deposit. There is no reciprocal trade in that proposition, and that is exactly what happened.

Therefore, I lay down as a startling fact that these trade-treaty programs are based upon a mistaken premise.

OUR UNFAVORABLE TRADE BALANCE SETTLED IN SECURITIES RATHER THAN INCREASED EXPORTS

Mr. Peek, in his reports to the President as foreign-trade adviser, has analyzed our international position in detail for the year 1934. In setting up a balance, he includes not only imports and exports of merchandise but movements of gold and silver, expenditures abroad by American tourists, immigrant remittances, interest and dividend payments, and services bought and sold. His analysis shows that the net result of our total foreign transactions in 1934 placed this country in debt to the world in the amount of \$970,000,000. This tremendous obligation was settled, not by the sale to foreign countries of additional goods and services but by the transfer of stocks, bonds, and other equities.

The details of these transactions are set forth by Mr. Peek in a table appearing in his letter to the President on foreign trade and the international investment position of the United States, dated April 30, 1935. I include the table at this point for the information of the House.

FOREIGN TRADE DURING 1934

1. We sold to the world goods in the amount of	\$2,133,000,000
We bought from the world goods in the amount of	1,655,000,000
Thereby placing the world in debt to us for goods in the amount of	478,000,000
2. Our tourists spent abroad and our immigrants, charitable organizations, and others sent abroad the net amount of	352,000,000
Leaving a balance owed to us of	126,000,000
3. Services sold to the world and miscellaneous items amounted to	\$264,000,000
Services bought from the world and miscellaneous items amounted to	274,000,000
Decreasing the balance owed to us by	10,000,000
Leaving a balance owed to us of	116,000,000
4. Interest and dividends received from—	
Foreign bonds held in United States	\$217,000,000
Foreign bonds (interest funded)	13,000,000
Direct investments abroad	125,000,000
Short-term banking funds abroad	25,000,000
Stock-transfer taxes, commissions, etc	10,000,000
A total of	390,000,000
Less interest and dividends paid	125,000,000
Increased the balance owed to us by	265,000,000
Leaving a balance owed to us by the world for goods, services, interest, and dividends of	381,000,000

FOREIGN TRADE DURING 1934—continued

5. We bought gold (including ear-marking) in the net amount of	\$1,217,000,000
We bought silver in the net amount of	86,000,000
We bought paper currency in the net amount of	48,000,000

A total of \$1,351,000,000

Thereby placing us in debt to the world in 1934 in the amount of 970,000,000

We paid this debt to the world by the transfer to foreigners of capital assets owned by us in the net amount of \$970,000,000.

I want to repeat Mr. Peek's finding. It is too startling not to repeat. This tremendous obligation was not settled by the sale to foreign countries of additional American goods, as promised under the so-called reciprocal-treaty method, but it was settled by the transfer of stocks and bonds and other equities. We furnished them with capital, but they took securities instead of goods.

INCREASED IMPORTS NO GUARANTY OF INCREASED EXPORTS

Aside from proving that without further reductions in our tariff, foreign countries already have at their disposal considerably more dollar exchange than they need to cover their purchases from this country, the foregoing facts show that we cannot expand our foreign trade simply by placing increased purchasing power in the hands of other countries, whether effected through increased imports of merchandise or the purchase of gold and silver. The investment of this increased foreign purchasing power in stocks and bonds is of no benefit to agriculture, industry, or labor. Moreover, there is nothing to indicate that further exchange placed at their disposal would be otherwise employed.

SECRETARY WALLACE ADMITS RISKS OF TRADE-TREATY PROGRAM

Let me emphasize this startling fact, that the investment of foreign purchasing power in stocks and bonds is of no benefit whatsoever to agriculture, industry, or labor; it simply takes capital out of our country which is our own money. Even my favorite antagonist—I differ with him very materially and constantly—Secretary Wallace, admits the fallacy of the trade-agreements program in the following language, and I quote from page 10 of his annual report for 1934:

But the foreign-trade program would involve the risk of producing results other than those expected. We cannot know in advance the probable effect on prices and employment in industry. Nor can we foretell precisely the compensating benefit to agriculture. Asking industry and labor to make sacrifices for agriculture demands some assurance that the farmer will benefit. The purchasing power which foreigners would obtain in the United States market were they permitted to sell more goods here might be left on deposit, or invested in American securities, or devoted largely to the purchase of nonagricultural goods.

It now appears that Secretary Wallace was somewhat of a prophet, since the risk to which he referred has in fact resulted. The foreign-trade program has produced effects other than those contemplated, to the detriment not alone of agriculture but of industry and labor as well. The sacrifices which one group has been forced to make for the others have produced no appreciable benefits. Our losses exceed our gains. The increased purchasing power which we have given to foreign countries by lowering our tariff and importing billions of dollars worth of gold and silver at inflated prices has not been used in the purchase of American goods, either agricultural or manufactured, but has been left on deposit or invested in American securities, as Secretary Wallace feared.

The foregoing startling facts prove that the administration's tariff policy is based upon an absolutely erroneous and false premise in assuming that an increase in imports, whether effected by reductions in tariff duties or otherwise, will necessarily result in an increase of foreign purchases in this country. This is the first startling fact to which I wish to call your attention.

NO OBLIGATION ON FOREIGN COUNTRIES TO BUY OUR GOODS

Another startling fact has to do with a fundamental weakness in the trade agreements themselves, namely, that they do not guarantee any increased market for our export products.

There is no obligation imposed upon any country with whom we have negotiated trade agreements to take a single dollar's worth of our merchandise. The sole effect of the agreements is to provide for reciprocal reductions in duties, but whether any actual movement of goods will result depends upon many factors, one of the most important of which is our ability to meet world prices. However, there is no question about the movement of goods into our own market, treaties or no treaties. Even commodities on which duties have not been reduced have been flooding the domestic market from abroad, displacing the products of our own farms and factories and taking work away from our own labor. With a wholesale reduction in duties being made under the trade agreements, this movement of goods from abroad will materially increase, and we will be left holding the bag while foreign countries use our money to buy the goods they want in other markets.

JOKER IN NETHERLAND AGREEMENT

I have said that the trade treaties contain no obligation to purchase our goods. There is one exception, however, which is found in the agreement with the Netherlands, but it contains the prettiest little joker you ever read. The obligation is hedged in such terms as to be absolutely meaningless so far as any definite commitment is concerned. I refer to the undertaking on the part of the Netherlands to purchase American wheat and flour equivalent to 5 percent of their domestic consumption, which contains the following proviso in the case of wheat and a similar one in the case of flour:

Provided, That the price of milling wheat originating in the United States of America is competitive with the world price for milling wheat of comparable grade and quality.

Is not that just splendid? If this is the only basis upon which we can sell to the Netherlands, the agreement will be of no particular benefit to our farmers or millers. If we must sell at the world price we might as well ship our wheat and flour to the London market to begin with and avoid the necessity of giving up any concession for such an empty obligation.

NO SWAPPING OF GOODS UNDER TRADE TREATIES

The trade treaties are frequently referred to as "Yankee swaps", but this is a misnomer. No swapping is involved. No merchandise changes hands by virtue of the agreements. We simply reduce our tariff rates in return for what we think are reciprocal concessions by the other country, and then, while watching foreign countries rush to take advantage of their opportunity to supply our market with increased quantities of goods, to the detriment of our own producers, we fervently pray that we will be enabled to secure a larger slice of the foreign market. So far our prayers have been unanswered.

It may be true that some export industries have benefited by reason of these trade treaties, but their gain has been more than offset by the loss resulting to domestic industries, both agricultural and manufacturing, and to American labor, by reason of the displacement of their products in the home market. I have frequently pointed out that while our export trade with Cuba increased \$21,000,000 in the first 12 months of its operation, our imports from Cuba in the same period increased \$103,000,000, or virtually 5 to 1. The first 6 months' operation of the Belgian agreement showed a 3-to-1 increase of imports over exports.

Simply giving foreign countries the wherewithal to buy our goods does not mean that they will do so. Unless our purchases from them are made contingent upon their making purchases from us, they will be inclined to take our money and buy where they please and what they please, just as they are now doing. This is the inherent weakness of the present trade program.

TREATY CONCESSIONS AMOUNT TO HORIZONTAL TARIFF REDUCTIONS

Another startling fact has to do with the application of the most-favored-nation principle to the reductions made under all the trade treaties except the exclusive agreement with Cuba. For all practical purposes, the reductions in duty made under an agreement with a particular country are tantamount to a horizontal tariff revision, because all other countries are entitled to the reduced rates without giving us any compensating concessions in return. Germany

is the only country to whom the President has denied the benefit of the reduced rates.

The State Department has attempted to minimize the effect of this policy by saying that the concessions are made only with respect to articles of which the country with whom the particular agreement is negotiated is the chief source of supply. However, this is not a fact, as even a casual inspection of the list of concessions will show. The result is that the concessions in duty are frequently more beneficial to other countries than the one with whom the agreement was entered into, and, of course, we receive no reciprocal concessions from them.

CONCESSIONS UNLAWFULLY EXTENDED TO MANY COUNTRIES

While the Reciprocal Tariff Act specifically authorizes the President to generalize the duty reductions in favor of other countries, his authority is limited to extend such concessions to countries which do not discriminate against us. In view of the fact that many countries have entered into bilateral agreements with other countries, to which the United States is not a party, and from the benefits of which it is excluded, it is clear that the President has exceeded his authority in generalizing the reciprocal-tariff concessions to all but one country.

We have records of 290 such agreements. Certainly the act did not contemplate our extending most-favored-nation treatment to any country which did not extend most-favored-nation treatment to us, yet the President has done so. England gets the benefit of our concessions to other countries without giving us any concessions in return, although she has extended concessions to other countries under some 32 bilateral trade agreements. France has 79 such agreements, Italy 35, Russia 13, Japan 7, and so on.

VIOLATIONS OF OUR MOST-FAVORED-NATION TREATIES

Mr. WOODRUFF. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Michigan.

Mr. WOODRUFF. I hope the gentleman will also refer to the number of violations of the treaties by the countries with whom we have a most-favored-nation treaty. I call his attention to the fact that Mr. Peek, whom he has quoted at some length, will gladly supply the gentleman with the needed information if he does not have it at hand.

Mr. TREADWAY. I have examined Mr. Peek's list. It shows that of the 290 exclusive bilateral trade agreements in operation between foreign countries, from the benefits of which the United States is excluded, more than two-thirds were entered into by 20 different countries with which the United States has unconditional most-favored-nation treaty commitments. Our failure to receive the benefit of these trade treaties is a direct violation of our existing treaties, and even if we had no such treaties with these countries they are not entitled to the benefit of our tariff concessions because they are, in fact, discriminating against our commerce.

EVEN JAPAN GETS BENEFIT OF REDUCED RATES

Our keenest competition now is coming from Japan and existing duties are in all cases inadequate; yet Japan is given the benefit of our concessions although we receive no concessions whatever from that country. Could there be anything more unfair to our textile industries than to have to compete with Japan not only under inadequate rates of duty as laid down by law but, in addition to that, under reduced rates by reason of concessions made to other countries? Every kind of cotton products are being manufactured there at costs entirely out of all comparison to our costs. I have recently visited mills in that country and have some idea of their costs.

TRADE TREATIES NOT IN ANY SENSE RECIPROCAL

When our concessions are extended universally to all but one country without requiring equivalent concessions in return, the trade treaties can hardly be referred to as "reciprocal." That term is used to describe a mutual benefit; in other words, giving and receiving. A fair exchange is implied, but we give much and receive little or nothing. I cannot believe that the Democratic majority in Congress,

in enacting the Reciprocal Tariff Act, ever intended that our concessions should be gratuitously extended to all countries. It is bad enough to give concessions to one country when it involves a risk as to whether we will benefit from the concessions granted to us, but when we receive concessions from one and extend concessions to all we cannot expect to make any net gain. It would be hopeless under the circumstances. The policy of generalizing rate reductions only adds to the injury which the trade-agreements program is doing to American producers and, through them, to the American people as a whole.

The extension of the most-favored-nation principle upon an unconditional basis has been bitterly criticized. In order to protect ourselves we should require a quid pro quo for our concessions. Internationalists like those now in charge of the trade-treaty program raise the argument that conditional most-favored-nation treatment would amount to discrimination. However, if there is anything discriminatory about asking all nations to pay the same or an equivalent price for our tariff concessions, I am unable to see it.

INTERNATIONALISTIC OBJECTIVE OF TRADE-TREATY NEGOTIATORS

This brings us to a consideration of the true purpose of the trade-agreements program. Is it really intended as a means of expanding the export market of our producers, or does it have some other purpose which was not mentioned at the time its enactment was sought and obtained? We have been hearing a great deal of late from State Department spokesmen which leads us to the conclusion that the authority conferred by the act is being used for effecting an objective not contemplated by Congress and upon which it has never passed. This is another startling fact.

In the January issue of the magazine, *Foreign Affairs*, there is an article by the distinguished internationalist, Dr. Henry F. Grady, who, of course, is the chief of the trade-agreement section of the Department of State—another college professor with an international viewpoint. He was brought here all the way from California by the administration. He may not have as many decorations from foreign countries as his colleague in the State Department, Dr. Sayre, but he sees eye to eye with him.

AVOWED PURPOSE IS AMELIORATION OF WORLD SITUATION; NOT EXPANSION OF EXPORTS

In his magazine article Dr. Grady discloses the real objective which the State Department seeks to accomplish by the negotiation of these trade treaties. He says:

Our objective is the general amelioration of the world situation.

Do you see anything in that sentence indicating an interest in the industries of this country? It has been obvious to me all along that the program was not intended for the benefit of American agriculture, industry, and labor, but that it would merely serve as a vehicle for the Secretary of State to put into effect his idealistic notions about free trade and internationalism. Now, we have a frank admission by the gentleman who is in direct charge of the negotiation of the trade agreements that what is really being sought is the "general amelioration of the world situation." This is a startling fact.

Secretary Hull has himself shown that he is more interested in improving world conditions than he is in looking after the welfare of our own people and the needs of American industry and agriculture. In a letter to the chairman of the Ways and Means Committee, under date of April 12, 1935, and referring to the agitation for protection against increasing Japanese imports, Secretary Hull said:

In my opinion it is not only unwise as a general policy to yield to the demand for greater restrictions upon imports but would be particularly unfortunate at this time, since such action could not but weaken the leadership of the administration in the efforts it is making to reduce the many restrictions hampering the flow of international trade.

This is just another way of saying that the leadership of the administration in world affairs is more important than the protection of American agriculture, industry, and labor.

In a recent address before the Institute of World Affairs at Riverside, Calif., Dr. Grady gave some further light upon

the true purpose of the administration's trade program. I quote:

This new policy, as I have said, coming in this period of strong isolationist sentiment, is of an importance that can hardly be exaggerated. This policy departs from the old by accepting the principles that our tariff rates are a matter of concern to other countries.

Let me repeat that—

* * * that our tariff rates are a matter of concern to other countries.

This is more internationalist doctrine. It is absolutely contrary to our national policy from the beginning of our Government, which the State Department now is upsetting.

I continue with the quotation:

We must recognize this fact if we expect them to recognize our vital concern in their tariff policies. We are now adjusting tariff rates to an important degree by agreement with other countries. We are bound by contracts with a number of countries now and will be bound with a great many other countries against certain types of legislative action that would be inimical to the trade interests of other countries.

I suppose all legislative tariff action is inimical to the trade interests of other countries when it seeks to protect the home market for Americans. These theoretical internationalists in the State Department, however, are making trade treaties that will be satisfactory to other countries but inimical to the trade interests of our own people. That is perfectly proper according to their opinion. They do not care a rap about the people in this country.

I call attention to the fact that we are bound by these contracts with other countries, and, no matter how bad Congress may want to restore or increase any duties covered by the trade agreements, its hands are tied.

WE ARE NOW MESHING OUR DOMESTIC ECONOMY INTO WORLD ECONOMY, SAYS DR. GRADY

The remarks of Dr. Grady which I have already quoted have been very illuminating, but I think the following statement in his recent California address takes the prize:

We are, to a greater degree than ever before, meshing our domestic economy into world economy.

Think of it!

Now we know what we are in for. In spite of all the lessons we have learned from past experience in mixing up our own affairs with those of the rest of the world, we find that we are now meshing our domestic economy into world economy more than ever before. This is the greatest gem from that modest internationalist, Dr. Grady, who never had to face a pay roll in his life. Here is another admission that the administration has lost sight of the real purpose for which the trade-agreement legislation was enacted.

TREATY NEGOTIATORS NOT SEEKING NET BENEFITS TO UNITED STATES TRADE

If further evidence is needed, it can readily be supplied. The Assistant Secretary of State, Dr. Sayre, has recently written a pamphlet for the World Peace Foundation entitled "America Must Act", in which he joins his associates in setting forth the administration's conception of the purpose of the trade-agreements program. Here is what Professor Sayre has to say:

If the purpose for which the act was passed is to be attained, our methods must be broader than mere "horse trading." We must make of the act an instrumentality for throwing the weight of American power and influence against the disastrous world movement toward economic nationalism.

Quoting further from Professor Sayre:

What matters is not selfish trade advantages gained by individual nations over their competitors, but the gradual liberalization of world trade through the adoption of similar programs by other nations.

Thus Professor Sayre, who is Secretary Hull's right-hand man in the negotiation of the foreign-trade agreements, discloses that the administration is not especially seeking through them, to gain any advantage for this country, but that it is primarily interested in setting an example for the rest of the world. Thus it is clear that our producers are simply being made a martyr or goat in the effort to reform

the world. They are left to hold the bag while foreign countries get all the benefits. It has been very apparent from the beginning that this was the effect of the trade agreements, but I had not supposed before that it was their real objective.

REGULATION OF FOREIGN TRADE A CONGRESSIONAL PREROGATIVE

Those in charge of the trade-agreements program not only have their own ideas as to the objectives to be attained by it, but they also have certain very definite ideas as to who is best able to make adjustments in our tariff duties and regulate our foreign trade. Ever since the beginning of our Government, Congress has always heretofore exercised its prerogative in this matter. While we have had reciprocal agreements in the past, Congress has always laid down in advance the articles with respect to which negotiations might be entered into with foreign countries and the specific reductions in duty which could be offered, or else it has given the Executive a free hand and then reserved the right to approve or reject the agreements when negotiated.

The House of Representatives, as well as the Senate, has retained this right in such cases. Under the flexible tariff provisions of the 1922 and 1930 Tariff Acts, Congress gave the Executive certain powers with respect to increasing or decreasing duties, but only after laying down a definite rule or yardstick by which the President was bound in making the necessary adjustments to conform thereto.

Under the Reciprocal Tariff Act the President has a free hand. He is unrestrained either as to the articles on which duties can be reduced or as to the basis upon which the reductions may be made. This constitutes an unconstitutional delegation of legislative power, and the act will undoubtedly be invalidated when the Supreme Court has an opportunity to consider it.

LEGISLATIVE TARIFF MAKING BELITTLED BY TREATY NEGOTIATORS

In his article in Foreign Affairs magazine, to which I have previously adverted, Dr. Grady has this to say about the relative ability of Congress and those now in charge of the trade-agreements program to adjust tariff duties and regulate foreign trade:

We will do it more carefully and scientifically than is possible by legislative action.

Think of that! What a startling statement! They can do it "more carefully and scientifically than is possible by legislative action." They will do it more carefully in the interest of these internationalists he is so proud of, but they will not do it as carefully as we could do it under the open forum of discussion here rather than the star-chamber procedure under which they do business. Industry and agriculture cannot state their case to the people who make up these schedules. They have no contact with them. They do not even know what schedules are being considered.

Mr. KNUTSON. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Is it not possible that Dr. Grady is right because, in negotiating these treaties, the State Department will not be under the compulsion of giving any consideration to local domestic needs anywhere?

Mr. TREADWAY. They show that attitude. He has a bigger field than the United States. He is an internationalist and wants to mesh the economy of foreign countries in with ours. In other words, the whole situation is this: What goods we admit to this country from foreign countries we must produce under similar conditions to those existing abroad. In other words, my friend's constituents out in Minnesota would have to work under the same conditions that the coolie labor of Japan work under.

Mr. KNUTSON. Well, they are becoming reconciled to that already.

Mr. TREADWAY. Well, we are not reconciled to it in New England. We want to retain a little of our standard of living that formerly existed in New England, but Secretary Wallace evidently does not want us to retain any. Of course, when you get right down to brass tacks on this whole proposition the real fact of the case is that these men are following

the advice, suggestion, and the authority of our Secretary of State, who is a great man, but who is as big an internationalist as there is in the United States today. I like him—everything but his policies.

TARIFF MAKING TOO COMPLEX FOR CONGRESS, SAYS DR. GRADY

Here is another gem from Dr. Grady's California speech:

The principles which actuate those responsible for the trade-agreements program in making concessions on our tariff rates are not those of the comparative costs of production formula, for the logic and implication of this formula is the suppression of international trade.

The experts responsible for carrying out the details of the program take the greatest care in the selection of items. * * * It is inevitable that the conduct of our international economic relations because of the great complexity and difficulty of the task, should be intrusted to competent experts.

What conceit on the part of Dr. Grady and his so-called "experts." Who do they think they are, anyway? Although the authority to reduce tariff duties gives the possessor the power of life and death over every domestic industry dependent upon tariff protection, Dr. Grady feels that this power is in more competent hands when placed with his secret trade-agreements committee, which is not responsible to the people and which conducts its negotiations with foreign countries behind closed doors in star-chamber proceedings, than when exercised by the elected representatives of the people in Congress. His contempt for the legislative method of tariff making is, of course, shared by all of those who now have a hand in the reciprocal negotiations. I regret that the Democratic majority in Congress have not the backbone to reassert their legislative function in regard to the tariff and put these usurpers in their proper place.

DUTIES ON FARM PRODUCTS REDUCED DESPITE PRESIDENT'S PROMISE

In his Baltimore speech of October 26, 1932, Candidate Roosevelt said:

I know of no effective excessively high duties on farm products. I do not intend that such duties shall be lowered. To do so would be inconsistent with my entire farm program.

In spite of this promise by the President, he has signed a number of trade agreements negotiated by Dr. Grady and his so-called experts in which the duties on a long list of farm products have been reduced as much as 50 percent. The very first agreement negotiated—that with Cuba—provided for reductions on a number of agricultural commodities, including sugar, tobacco, honey, corn, and certain fruits and vegetables, including grapefruit, potatoes, and tomatoes. Under the Canadian agreement, reductions as high as 50 percent were made on cattle, dairy cows, cream, Cheddar cheese, poultry, horses, maple sugar, apples, strawberries, blueberries, cherries, grass and clover seeds, peas, potatoes, turnips, and hay. Substantial reductions were also made on forestry products. The agreement with the Netherlands provides for reductions on such agricultural products as potato starch, tobacco, cheese, pearl barley, and certain garden products. Under the agreement with Switzerland the duty was reduced on Swiss cheese. And so on.

These reductions in the duty on agricultural products not only show that Dr. Grady and his associates are not confining their operations to reducing excessive duties, but in addition constitute a direct reversal of the President's pledge to the farmers in his Baltimore speech—just another broken promise on the part of the administration.

If the President knew of no rates that were too high on farm products, why did he permit the Secretary of State and his understrappers to change the rates that he stated were all right? He must have found out differently since he got hold of Dr. Sayre and this Dr. Grady.

OUR DIMINISHING EXPORT BALANCE

I have referred to the objectives sought to be attained by those in charge of the trade-agreements program. There is one objective which I have thus far omitted to mention which has to do with our diminishing favorable balance of merchandise trade. To begin with, let me give you the comparative figures on our foreign trade for the years 1934-35:

Merchandise exports:	
1935.....	\$2,282,000,000
1934.....	2,133,000,000
Increase (7 percent).....	149,000,000
Merchandise imports:	
1935.....	2,047,000,000
1934.....	1,655,000,000
Increase (24 percent).....	392,000,000
Excess of exports over imports:	
1935.....	235,000,000
1934.....	478,000,000
Decrease (51 percent).....	243,000,000

Last November Assistant Secretary of State Sayre made a most remarkable address at the Marine Exhibition in New York City. Significantly the address was made on International Day, so the professor must have felt at home. It was entitled "Increased Exports with a Diminishing Export Balance: An Omen of Sound Recovery."

In the course of this address Professor Sayre said:

We are coming within striking distance of a balance between exports and imports. This may be but a temporary phenomenon. * * * But at least we are moving in the right direction. And it is of high importance that this balance is being reached, not through a reduction of exports * * * but through a substantial increase of imports * * *.

What kind of doctrine is this to preach? The professor is elated at the fact that our imports are increasing faster than our exports. He is pleased over the fact that our favorable balance of trade is fast diminishing. He regards this as an "omen of sound recovery", though through what process of reasoning I am not aware. At last, however, we know what the tariff tinkers are trying to accomplish. Here we have additional evidence that the administration is more interested in surrendering our home market to foreigners than in increasing the foreign market for our exports. In other words, we are just playing Santa Claus to the world, and the American farmer, manufacturer, and workingman are paying the bill.

INCREASED IMPORTS NO OMEN OF RECOVERY

It seems to me there is some inconsistency in what the treaty negotiators are trying to do. On the one hand, they profess to be interested in a foreign market for our surplus products. This was the excuse for the enactment of the trade-treaty legislation. We were told that only by the negotiation of trade treaties could our export trade be restored. Yet now we find one of the chief proponents of the present policy exulting over the fact that our foreign purchases are increasing faster than our foreign sales. It does not make sense.

I disagree entirely with Professor Sayre's suggestion that a diminishing favorable export balance is an omen of sound recovery. There can be no net gain to this country when our imports last year increased nearly \$400,000,000, while our exports increased only \$150,000,000. Would anyone argue that the increased importation of \$400,000,000 worth of foreign goods put any of the 12,000,000 unemployed in this country to work? Would anyone contend that the tremendous increase in agricultural imports is helping to solve the farm problem? Of course, such a suggestion is utterly ridiculous, yet that is the implication of Professor Sayre's remarks.

GREATEST GAINS IN EXPORT TRADE WITH NONTREATY COUNTRIES

Another fallacy in connection with the trade-treaty program has to do with the extent to which these treaties were responsible for the slight increase in exports last year. If anyone thinks that this increase was due principally to increased shipments of our goods to the treaty countries, they are entirely mistaken. Let me give you the facts:

During 1935, 3 of the 10 trade treaties which have been negotiated became effective, namely, those with Belgium, Haiti, and Sweden. Our exports to these countries in 1935 increased \$12,500,000, as against increased imports from them amounting to \$16,200,000. It is, of course, quite apparent that the increase in exports to these treaty countries does not begin to account for the total increase in exports of \$149,000,000 to all countries.

We had no trade treaty with the United Kingdom, but our exports to England, Scotland, and Ireland last year increased

by \$50,000,000. Our exports to Canada increased \$21,000,000 without benefit of the trade agreement with that country which did not become effective until January 1 of this year. Our exports to Australia, another nontreaty country, increased nearly \$14,000,000, or more than the combined total of the increase in the case of the treaty countries referred to. In the case of Mexico, our exports increased \$10,000,000, and so on.

These startling facts prove that the trade treaties are needless and ineffective, as well as a bad bargain, since the greatest gains in our export trade were attributable to countries with whom no treaties were in effect and were realized at no cost or injury to domestic producers. The relatively small increase in our exports to treaty countries may or may not have resulted from the reciprocal program, but in any event the damage done to American industry and agriculture by these treaties is far too great a price to pay therefor.

SUMMARY OF STARTLING FACTS PRESENTED

To summarize my remarks thus far: The first startling fact I called to your attention was that the administration's tariff policy was founded on a false premise, because it erroneously assumed that by creating additional purchasing power in the hands of foreign countries we would necessarily benefit by increased exports. I showed that, although as a result of our gold and silver purchases and other international transactions foreign countries already had more than enough dollar exchange than was necessary to cover their purchases from us, they were using this surplus dollar exchange for the purchase of securities rather than American goods.

The next startling fact I pointed out was that the trade agreements which the President is negotiating with foreign countries contain a fundamental weakness, in that they do not guarantee any increased market for our export products, but only provide for reciprocal reductions in duties which may or may not enable us to sell more goods abroad, although certain to result in increased foreign importations to the detriment of our own producers.

The next startling fact to which I referred was that the President has exceeded his authority under the Reciprocal Tariff Act in gratuitously extending the concessions made under the treaties to all countries except Germany, since many other countries in fact discriminate against our commerce and hence under the law are not entitled to most-favored-nation treatment.

I next called attention to the startling fact that those in direct charge of the trade-treaty program had disregarded the stated purpose of the act to restore our export trade in favor of other objectives of their own choosing, including such purposes as the "general amelioration of the world situation."

Finally, I called attention to the startling fact that the largest proportion of our increased export trade was attributable to countries with whom no trade treaties were in effect.

These facts demonstrate the unsound, fallacious, and erroneous premises upon which the trade-treaty program is based, the defects in the treaties themselves and in the methods and manner of their negotiation, and the failure of those in charge to adhere to the primary purpose for which the program was inaugurated.

CONGRESS SHOULD HAVE SAY IN TREATY NEGOTIATIONS

My objections to the Reciprocal Tariff Act and the trade treaties made under its authority are well known to the House. I have stated them repeatedly, and it is unnecessary for me to reiterate them now. However, I will say this:

If we are going to have trade treaties with foreign countries involving reductions in our tariff duties, they should be subject to approval by Congress before becoming operative as they have in prior years. As an alternative, Congress should prescribe the precise articles and the precise concessions in duty thereon which could be used as a basis for reciprocal trade negotiations with foreign countries as was done under the McKinley Tariff Act of 1890. As another alternative, Congress could enact a two-column tariff, as was provided under the Tariff Act of 1909, with one schedule of

rates for countries granting us most-favored-nation treatment and a higher schedule for countries discriminating against our commerce. The present scheme is supposed to be of this character, but of course it is not the creature of Congress, and only one country is made to pay the higher rates, whereas many others ought to be doing so. At all events, tariff making should be restored to the hands of the elected representatives of the people, where it constitutionally belongs.

NO NEED FOR WHOLESALE TARIFF REDUCTIONS

So far as the effect of our present tariff duties upon foreign trade is concerned, I do not see how they can be regarded as any undue limitation. Two-thirds of our imports upon a value basis are given free entry into the domestic market. What other country can say as much? That our present tariff structure has not operated as an unreasonable restriction on foreign commerce is proven by the fact that our imports of dutiable products are now 56 percent of the 1923-25 level, whereas our free imports are only 52 percent.

If, however, any of the duties are too high, they may be adjusted to a proper level under the so-called flexible tariff provisions of the 1930 Tariff Act. There is no need for wholesale and indiscriminate reductions, and certainly reductions below the difference in foreign and domestic production costs such as are now being made cannot be justified.

WE SHOULD GIVE DOMESTIC PRODUCERS FIRST CHANCE TO SUPPLY DOMESTIC MARKET

It is not fair to American agriculture nor in the interest of the general welfare of our people to permit the importation from abroad of huge quantities of farm products which our own farmers can and do produce. The administration is now preparing to spend \$500,000,000 per year in controlling farm production, yet at the same time it is reducing duties on farm commodities and permitting foreign producers to absorb more and more of the American market. Why not reverse the procedure? Give the American farmer the first opportunity to supply the domestic market and we will not need so much crop curtailment.

Many American mills and factories are operating on reduced schedules or are shut down altogether. Why not give them a chance to produce more of the goods we consume here at home instead of letting foreign producers have a constantly increasing share of the business?

According to figures made public by the American Federation of Labor within the last few days, some 12,626,000 men are now unemployed, an increase of more than 1,200,000 since December. Why not give these men a job producing some of the goods we need instead of letting foreign workmen have the job?

SMALL INCREASE IN HOME TRADE EQUAL TO LARGE INCREASE IN FOREIGN TRADE

Despite all that the free traders in the State Department are saying, the wealth and prosperity of our country depends primarily upon the home market, in which we normally consume 90 percent of what we produce. A relatively small increase in our domestic trade is the equivalent of a relatively large increase in our foreign trade. If our own people could be put to work producing the things we need here at home, it would go a long way toward solving our problems. If we can restore our domestic trade, our foreign trade will pretty much take care of itself. The repeal of the iniquitous reciprocal tariff law and the abrogation of the treaties made thereunder would be a step in this direction. I strongly advocate such action, and ever since the beginning of the present session have had a bill pending for that purpose.

TARIFF MAKING BY PROFESSORS IS ON WAY OUT

I think there is no question that in the approaching months the people back home are going to know more about these methods of getting their trade away from them under professorial theories of internationalism than they do today, and when they do some of these professors will be allowed to go back to their institutions of learning and will no longer be responsible for either the fiscal or industrial policies of this country. [Applause.]

LETTER FROM A COLLEAGUE AND MY REPLY THERETO

Under leave to extend my remarks, I include the following letter from one of our esteemed colleagues asking certain questions in regard to the operation and method of negotiating foreign-trade treaties, together with my reply thereto:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 27, 1936.

HON. ALLEN T. TREADWAY,
Member of Congress, House of Representatives,
Washington, D. C.

MY DEAR COLLEAGUE: Your many years' experience as a member of the Committee on Ways and Means qualifies you to give authentic information in reference to our tariff policy and practices.

As you know, the automotive industry occupies a large place in the Michigan industrial field, and I am receiving inquiries from constituents concerning the reciprocal trade agreements being negotiated with foreign countries. I shall appreciate, therefore, very much your giving me some information.

1. To what extent are reciprocal trade agreements with foreign nations secretly made? Please advise in general terms the procedure. My constituent has been advised that there is no secrecy in connection with the forming of these treaties, that open hearings are held, and that American exporters are fully advised as to just what is going on.

2. What is the effect of the favored-nations clause in these treaties? Does this clause give the same benefits to all nations excepting Germany as is given to the negotiating country, or does the benefit given to such country inure only to those countries entering into trade agreements with the United States?

3. Where a certain quota is given in a reciprocal treaty, like a quota on cattle with Canada, what effect does that quota have on the other countries? For instance, if Canada is permitted to bring into this country a given number of cattle on the free list, would such a provision permit Mexico to bring a like number of cattle? In short, what would be the effect of this quota consideration on countries other than the signatory country?

Possibly I am imposing upon you, but when one becomes an expert he must pay something for the honor. In this case it is the information desired.

Sincerely yours,

EARL C. MICHENER, M. C.

FEBRUARY 25, 1936.

HON. EARL C. MICHENER,
House of Representatives, Washington, D. C.

MY DEAR COLLEAGUE: You have asked me several questions as the result of a letter you have received from one of your constituents who has inquired about the methods of making reciprocal-tariff agreements and their general effect in connection with our interchange of foreign trade.

You are, of course, aware that the Secretary of State advocated, when a Member of Congress, as low tariff rates as were consistent with virtually free-trade views. Soon after he became Secretary of State he caused to be introduced the so-called reciprocal-trade agreement legislation. This legislation authorized the President to negotiate foreign trade agreements with other countries, whereby our tariff rates could be reduced not to exceed 50 percent, irrespective of any differences in foreign and domestic production costs, which is the usual yardstick in determining such rates.

The Republican Members of Congress strenuously opposed this legislation on various grounds, of which two are outstanding: First, it was maintained that no distinction could be made between trade agreements and treaties, which under the Constitution must be approved by the Senate before becoming operative. Second, that the tariff reductions would be extremely injurious to our own industries by sacrificing our rich domestic market for illusory foreign markets. Parenthetically, let me say that experience has proved this contention to be absolutely correct, as our export trade last year only increased 7 percent over 1934, whereas our import trade increased 24 percent.

Ten trade treaties have thus far been negotiated and eight of them are now in effect. The agreement with Honduras will become operative on March 2, while that with Colombia must be ratified by the legislative body of that country. Only the Cuban agreement has been in effect long enough to show any results, it having become operative on September 3, 1934. In the following 12-month period our exports to Cuba increased \$21,000,000 over the previous 12 months, whereas our imports from Cuba in the same period increased \$103,000,000. Thus for every \$1 of export trade gained our domestic producers (principally sugar-beet farmers) had to give up \$5 of trade in the domestic market.

Let me proceed to the method of preparation of the so-called trade agreements or treaties. Representatives of countries with whom we desire to enter into negotiations, or who desire to enter into negotiations with us, are invited to come here. A list is prepared of imports and exports between this country and the country with whom we are negotiating. Notice is given through the press of the intention of this Government to negotiate with the particular country. No intimation is given of the products which may be affected by the proposed agreement.

If you happen to be engaged in any line of industry which is engaged in the production of goods entering into the channels of commerce between the two countries you may have a hearing before the so-called Committee on Reciprocal Information, which

has been set up for this purpose. This is a semiprivate hearing, as only those directly interested are permitted to attend. This committee, however, has no function except to conduct the hearings. The actual negotiation of the trade agreements is carried on by a secret and ever-changing committee in the State Department, called the Interdepartmental Trade Agreements Committee. Industry never has any contact with this group. Its sessions with representatives of foreign governments are carried on behind closed doors. Not even Members of Congress, on whom the Constitution imposes the power of imposing tariff duties and regulating foreign commerce, can find out what goes on in these star-chamber proceedings. Until an agreement has been signed by the President and published through the press, no one knows what products will be affected except those carrying on the negotiations.

Foreign representatives, by securing in advance the list of items on which the rates will be reduced, can use this information to their advantage by offering American purchasers of their goods reduced prices before the announcement of the new rates is publicly made.

Months of study and public hearings have previously been given in the preparation of tariff legislation. Importers have been given a chance to testify, as well as home producers, and each knew the other's evidence. The rates were written by the representatives of the people, as the Constitution provides. There was no secrecy such as surrounds the negotiation of the foreign-trade agreements.

Second, as to the extension of benefits under the trade agreements to other countries, your correspondent is distinctly in error in his conception of this feature. A rate made under an agreement with one country is extended generally to every other country (Germany alone excepted), so that the negotiation of a trade agreement amounts to a horizontal reduction of the rates affected. A tariff concession granted, for instance, to Belgium is applicable to imports from other countries without their giving us any equivalent concession for our exports in return. This feature of the law has been subject to almost universal criticism.

Third, as to the effect of the quota provisions imposed under some treaties, the quota provision of the Canadian treaty limiting to a certain number the cattle which may be imported at the reduced rate applies generally to all countries. Thus, Mexico might conceivably ship into this country at the reduced rate the entire quota before Canadian shippers could do so. In such a contingency, Canada would receive no benefit from the reduction. However, this is rather unlikely. Nevertheless, Mexico and Argentina and other cattle-producing countries will be entitled to the reduced rate until the quota has been exhausted.

One feature of the quota system is often overlooked. I refer to the fact that while the reduction applies only to a limited quantity, a partial benefit extends over a much larger quantity. For example, the statutory duty on Canadian cream is 56.6 cents per gallon. The treaty rate is 35 cents on the first 1,500,000 gallons imported. This is a saving of 21.6 cents per gallon. If 3,000,000 gallons are shipped into this country, one-half at the lower rate and one-half at the higher rate, the Canadian shipper still saves an average of nearly 11 cents per gallon. On 6,000,000 gallons, one-quarter at the lower rate and three-quarters at the higher rate, he would still save approximately 5½ cents.

No matter how adverse may be the effect of a trade treaty upon our domestic industries, Congress has no power to modify or reject them. Under the spur of the President, it has delegated its authority over treaties and tariff rates to him, so that when the trade agreements are entered into they are binding upon this country, although in many instances they do not become binding upon the foreign country until ratified by its legislative body.

On the whole, it may be said that while the reciprocal trade agreements may have resulted in a benefit to the export trade of certain American industries, they have resulted in a net loss to American industry in general. It cannot benefit export industries in the end to increase their exports at the expense of their domestic sales. The prosperity of every industry within our borders is primarily dependent upon the general prosperity of the people at large, and they cannot be prosperous if we are going to buy abroad the products of the farm and factory which can be and are produced at home. We have in this country the greatest and richest home market on earth, in which we consume 90 percent of what we produce, and it seems to me that any legislation which has the effect of sacrificing this fertile market for lean foreign markets is detrimental to the best interests of the country.

Very truly yours,

ALLEN T. TREADWAY, M. C.

Mr. DITTER. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. WADSWORTH].

Mr. WADSWORTH. Mr. Chairman, I am going to take advantage of the liberal rules of the House with respect to general debate on an appropriation bill and endeavor to call the attention of the members of the Committee to a state of affairs recently developed which, in my humble judgment, is extraordinary. I am tempted to touch upon this question because there is pending before the Committee on Rules a resolution introduced on January 15 last by the gentleman from Massachusetts [Mr. CONNERY] calling for an investigation of the Federal Communications Commission.

I have no information whatsoever touching upon the matters specifically mentioned in Mr. CONNERY's resolution, but,

as that resolution calls not only for an investigation of certain specific matters but also for a general investigation, I think I am justified in calling attention to it and, incidentally, urging its favorable consideration by the members of the Rules Committee, if for no other reason than the events which have been occurring during the last few months and which have come to light today.

In order that this matter may be brought before the members of the Committee I desire to read from today's issue of the New York Herald Tribune a portion of a dispatch from Washington, dated March 3:

Mass seizure of the telegraphic correspondence of more than a thousand corporations, law firms, and well-known individuals opposed, both in general to the New Deal, and, specifically, to its public-utilities policies, has been practiced by the Senate Lobby Investigating Committee, it was learned today.

Scores of thousands of the telegrams have been obtained by direct subpoena on the two telegraph companies, Western Union and Postal Telegraph; but, just to make assurance doubly sure, it was also learned the committee persuaded the Federal Communications Commission to do a large share of its work for it.

The Commission, which was given access to the books and records of companies under its supervision by the act which established it, marched into the telegraph companies' Washington offices during the recess of Congress. There, at the instigation of Senator HUGO L. BLACK, Democrat, of Alabama, chairman of the Lobby Committee, Commission clerks copied some 13,000 messages in the offices of Western Union alone.

Among these was a complete file of the wires sent from and received at the local offices of the American Liberty League, as well as much other material without apparent relation to the attempts to influence Congress against public-utilities regulation—the subject now being investigated by the Black committee. Although the Federal Communications Commission is without authorization to examine its subject companies' files except for its own purposes, the telegrams copied by its clerks in the Washington offices have been turned over to the Black committee.

For these telegrams collected by courtesy of the Communications Commission no subpoenas were issued. The Commission clerks merely copied off the wires as they were handed to them, in response to their requests. The telegrams were removed from the Western Union and Postal offices en masse, and the companies were not informed as to what telegrams had been taken and what left.

My information is, Mr. Chairman, that tens and tens of thousands of telegrams passing between citizens have been seized by the Communications Commission. They have been pawed over and examined. No warrant has been issued for the seizure of this private correspondence; no search warrant emanating from any court of competent jurisdiction. A Commission of the Government has taken upon itself the power to step into the offices of the Western Union Co. or the Postal Telegraph and to say, for example, "We want a copy of every telegram sent by John Smith or to John Smith", and the companies, fearful of the regulatory power of the Commission over them, have handed over these copies.

Mr. Chairman, it strikes me that we have reached a strange stage in the development of demoralization when, without a search warrant issued by a competent court, a Commission of the United States Government can seize private correspondence without limit and restraint and make any use of it it pleases.

Let us assume, for example, that a political-minded Attorney General of the United States, desiring some information about the private conduct of a citizen, shall ask the Federal Communications Commission to search all Western Union and Postal offices in the United States and turn over to him, the Attorney General, all telegrams filed by or addressed to that citizen. What would be said about it?

Mr. COCHRAN. Will the gentleman yield?

Mr. WADSWORTH. For a question.

Mr. COCHRAN. Does not the gentleman feel that the Western Union is just as much to blame for giving up those telegrams to the Commission without a subpoena or warrant as the Commission is to be blamed for asking for the telegrams?

Mr. WADSWORTH. I am not here to distribute the blame. I understand the Western Union protested against subpoenas issued to them by the Black committee. I am not here to construe the power of the investigation committee of the Senate. I am here to emphasize the fact that this procedure went beyond the exercise of power by the com-

mittee of the Senate. It went to a point where a commission of the Government seized correspondence which it had no right to take. It may be that the Western Union is culpable in obeying the order of the Commission, but you must remember that the Western Union is under the regulatory authority of the Commission. And I think I am not exaggerating the situation which exists in industry today when I say that it is in a state of terror. Perhaps the Western Union ought to have resisted.

An action was started only yesterday in this connection. Here are the facts: Notice was sent to the Western Union, I believe, that all the telegraphic correspondence of the law firm in Chicago known as Winston, Strawn & Shaw must be handed over. I understand that Mr. Silas Strawn, having notice that such was the intention of the Commission or the Black committee, I forget which, served notice on the Western Union that if it obeyed such an order he would bring suit; and I am further informed that only yesterday he did start an action to enjoin the Western Union from surrendering his private telegraphic correspondence and that of his firm.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. Yes.

Mr. COCHRAN. I do not challenge the right of the Senate committee to secure the correspondence, but I do challenge the right of the Communications Commission to go to a corporation and get correspondence whenever it desires without some real good reason for it. The Commission is limited by law in its operations.

Mr. WADSWORTH. I agree with the gentleman from Missouri. It may be that the Commission bases its action upon the power given to it in the law which established the Commission. I have the honor to serve on the Committee on Interstate and Foreign Commerce of this body, from which committee emanated the legislation which grants to the Federal Communications Commission the regulatory powers to be exercised over telegraph, telephone, radio, and cable companies. I hold in my hand a copy of the Communications Act of 1934, and I call the attention of members of the Committee to paragraph (c) of section 220.

Section 220 is headed "Accounts, records, and memoranda."

(c) The Commission shall at all times have access to and the right of inspection and examination of all accounts, records, and memoranda, including all documents, papers, and correspondence now or hereafter existing.

I submit that those "records", "accounts", and "memoranda" and "papers" are the papers of the company and its officers and not the copies of the telegrams of citizens.

Mr. COCHRAN. Nor did Congress intend any such thing.

Mr. WADSWORTH. And Congress had no intention of clothing any branch of our Government with the power of search and seizure. In fact, Congress cannot do so under the Constitution, in view of the fourth amendment. There is one more sentence that I desire to read from that section.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. Yes.

Mr. RANKIN. Does the gentleman contend that a grand jury in a State could not subpoena those telegrams and examine them?

Mr. WADSWORTH. Certainly it could under a court order.

Mr. RANKIN. The Government has all the power in the District of Columbia that a State and Federal Government both would have inside a State. This is part of the executive branch of the Government, and the Senate of the United States is conducting an inquiry into the corruption that is alleged to have taken place last year around this Capitol in respect to all this power propaganda.

Mr. WADSWORTH. I am not yielding for a speech.

Mr. RANKIN. Why have they not the right to go into these records and find out who is guilty of misconduct in trying to block this legislation?

Mr. WADSWORTH. I am astounded at the implications of the question of the gentleman from Mississippi. I am not a lawyer, not even admitted to the bar.

Mr. RANKIN. Perhaps that is the reason the gentleman is astounded at my question.

Mr. WADSWORTH. We have reached an extraordinary stage, as I said at the beginning, when the executive power in our Government assumes to itself the right to seize private correspondence without any court procedure whatsoever, without any warrant. If this thing can be done by the Communications Commission, it can be done by any branch of the executive department, upon the theory that they are searching for something, and on that theory alone.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DITTER. Mr. Chairman, I yield the gentleman 5 minutes more.

Mr. WADSWORTH. It is written plainly in the Constitution that the people shall be free from unreasonable searches and seizures. It seems to me that men of thoughtful habits would better do a little thinking.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. Yes.

Mr. MAY. By way of an answer to the question of the gentleman from Mississippi [Mr. RANKIN], I make this observation in the gentleman's time. Nobody questions the power of the courts of this country to issue process, either criminal or civil, and enforce it, but here is an executive bureau of the Government that possesses no judicial functions and no judicial authority which has invaded and overridden the constitutional guaranty of the citizen from unreasonable searches and seizures of his personal property without due process of law. The distinction is clear, and any ordinary lawyer, much less a distinguished lawyer like the gentleman from Mississippi, must see the difference.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. WADSWORTH. Yes.

Mr. RANKIN. Suppose they had been letters written by these lawyers and sent through the mail and they had been in violation of the postal laws, would not the postal authorities have had the right to have gone into them under a subpoena by a Senate committee?

Mr. WADSWORTH. No; not without permission of a court.

Mr. RANKIN. How are you ever going to catch men who violate the postal laws?

Mr. WADSWORTH. As I understand it, you must make at least a prima-facie case, go before a court, and have a judge say that there is some prima-facie evidence here, and "we grant you permission to search the effects of the person."

Mr. RANKIN. Oh, they have searched letters going through the post office ever since this Government began, without appealing to a court. They have a right to do it.

Mr. MILLER. Will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. MILLER. Is not the proper limit to be placed upon the authority even of a committee of Congress investigating a matter, that they have a right to use such power as is necessary to supplement the testimony of a particular witness and not the constitutional power to make a blanket investigation of the business of any man or of any corporation?

Mr. WADSWORTH. I should say that was a proper distinction.

Mr. MILLER. Is that not the limit of their authority?

Mr. WADSWORTH. I would say that is a proper distinction with respect to the powers of an investigating committee of the Congress. I am speaking of this exercise of power by a Federal commission.

Mr. MILLER. I agree that any Federal commission does not have the right to go in and make a blanket investigation or demand the surrender of documents that come to that corporation in the prosecution of a business.

Mr. WADSWORTH. That is just what has been done; the blanket seizure of tens and tens of thousands of telegrams, many of them private in character; nearly all of them confidential or private in character, and, to my knowledge, some of them passing between husband and wife.

Mr. CREAL. Will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. CREAL. I presume that all these private telegrams where John wired Mary he had missed his train are the ones that are making all the fuss, and those which had deadly propaganda in them, they did not care about their seizure? The complaint is really coming from those private citizens who wired about trifling matters?

Mr. WADSWORTH. In answer to the gentleman, I will say the complaint is coming from me; just from me. I do not know whether any of my telegrams have been seized or not. It is quite possible that they have. No one knows what telegrams have been seized. No one knows what those telegrams relate to. I venture to say that the overwhelming majority of the telegrams seized had nothing to do with the public-utilities contest here last year.

Mr. CONNERY. Will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. CONNERY. I understand my colleague from New York [Mr. WADSWORTH] has endorsed my resolution for a thorough investigation of that Federal Commission?

Mr. WADSWORTH. I think we need it.

Mr. CONNERY. Furthermore, if the gentleman will permit me, does not the gentleman think a thorough investigation by Congress should be made of a commission against whom an accusation has been made that a man could be handled for between twenty-five and fifty thousand dollars, and then the commission sent out five members to investigate themselves on the proposition and then brought back a report and refused to make the report public?

Mr. WADSWORTH. I should say that that was evidence sufficient to warrant an investigation.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. DITTER. Mr. Chairman, I yield the gentleman from New York 2 additional minutes.

Mr. GILCHRIST. Will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. GILCHRIST. Is it not true that even a court has no power to go out on a fishing expedition for evidence, by bringing in private correspondence, but before a writ will issue from any court there must be something before it to show what is proposed to be shown, and that that thing proposed to be shown is relevant to the inquiry?

Mr. WADSWORTH. That is my understanding, of course.

Mr. ANDREWS of New York. Will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. ANDREWS of New York. I am interested in the observation made by the gentleman that he endorsed the resolution introduced by the gentleman from Massachusetts [Mr. CONNERY]. I find that resolution was introduced on January 15. I think it would be of interest to the House if we might know why the Rules Committee has seen fit to shelve this resolution going on now 7 weeks. I hope some Member on the Democratic side, and preferably some member of the Rules Committee, will give us some explanation of why Mr. CONNERY's resolution has not been heard and some action taken upon it.

Mr. COCHRAN. Will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Missouri.

Mr. COCHRAN. Can the gentleman say whether the Federal Communications Commission loaned some of its employees to the Senate investigating committee and that they were working under the direction of the Senate investigating committee, or whether they were working under the direction of the Federal Communications Commission? That, I think, is extremely important.

Mr. WADSWORTH. My understanding is they were working directly under the orders of the Federal Communications Commission when they went into this office and copied the telegrams.

Mr. RANKIN. But they were working for the Senate committee, were they not?

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. BLANTON. Mr. Chairman, I yield 20 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, 2 years ago the last Congress appointed a special committee, of which I was chairman, to investigate certain subversive activities in the United States. The committee proceeded with extreme care, having a profound appreciation of the value of character and reputation. For that reason every witness that we examined was first called into executive session, in order that we might determine whether or not there was any justification for calling any of those witnesses in public session. This policy was followed on the theory that once a witness is called before a committee, even if the evidence shows there was no justification or occasion, there are people who believe that the witness must be guilty, otherwise he or she would not have been called before the committee. During our investigation we required that the evidence received must be in accordance with the rules of evidence applicable in courts of law, establishing stricter rules than investigating committees ordinarily do, or ordinarily should. As a result of our investigation we showed that efforts were being made to try and group certain Americans in this country into one organization responsive to dictates from abroad, not for the purpose of changing our form of government but for the purpose of affecting our internal and external policies in accordance with the will of the Nazi leaders of Germany and in response to commands from abroad. As a result of aroused public opinion—I am a great believer in public opinion—those activities ceased.

We also investigated other un-American activities, intolerant organizations within, and their efforts to try to array American against American, because of race, color, or creed; and we were successful again, through the voice of public opinion, in breaking up a number of these organizations.

We investigated other un-American activities—subversive activities—to find out the extent to which the Communist movement in this country was undertaking to undermine the institutions of Government, which we all value, and which we have received as a heritage from the fathers of the Constitution, and from the past generations of Americans. This is the first time I have made a speech on the floor on the committee's work, because I realized that inflammatory remarks might prompt legislation which might go too far in the direction of the right.

As a result of our investigations our committee made two recommendations with reference to communism; one, making it a crime for anyone to knowingly and willfully—mark these words, “knowingly and willfully”—advocate the overthrow of the Government, our Government, the United States Government, by force and violence. The word “advocate” as construed by the Supreme Court means “in a manner to incite.” When used in a penal statute it has a different meaning from the ordinarily accepted meaning. While it was not necessary in itself, we included in the bill also the additional burden of proof that the Government must prove that it is an intentional and willful advocacy of the overthrow of Government by force and violence.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. MARCANTONIO. I know the gentleman to be an able lawyer. I do not say this lightly; I mean it. I ask the gentleman as an able lawyer if he does not know that an act making mere advocacy illegal would be unconstitutional?

Mr. McCORMACK. The gentleman is discussing something I am not discussing.

Mr. MARCANTONIO. Just a moment. The reason I asked that question is to lead to just one further question.

Mr. McCORMACK. The question is whether the use of the word “advocacy” in a penal statute would be constitutional. It would be constitutional if the Congress passed it. The gentleman evidently has in mind the Gitlow case arising under a New York statute.

Mr. MARCANTONIO. The Gitlow conviction was sustained because the court believed his advocacy constituted incitement.

Mr. McCORMACK. I do not want to get into an argument with the gentleman, because I respect my friend and respect his opinions; I respect his position; but I have only 20 minutes' time in which to present a very large subject. I have something definite in mind in speaking now, to show that certain arguments advanced against these bills are wrong.

Mr. MARCANTONIO. It is not argumentative but merely prefatory to a further question.

Mr. McCORMACK. I do not care to be drawn into an argument; I have not the time for it.

Mr. MARCANTONIO. May I not ask the gentleman just this question?

Mr. McCORMACK. Yes.

Mr. MARCANTONIO. Since it is agreed that to make mere advocacy unlawful is unconstitutional and that such legislation would be upheld when the advocacy becomes incitement, can the gentleman state to this House when mere advocacy ceases and when incitement begins?

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. MARCANTONIO. I prefer to have the distinguished gentleman from Massachusetts answer that question. He is a real and able lawyer.

Mr. McCORMACK. I yield to the gentleman from Texas.

Mr. BLANTON. Mr. Chairman, I think every loyal American in the United States appreciates the splendid work our colleague from Massachusetts has done. Does he know that right here in Washington today there is a Communist school that will not let a policeman enter, that is teaching communism all the time? Does he know that the Daily Worker in New York, which is a renowned Communist paper, with connections with Russia, has its reporters right in our press gallery, accredited to our press gallery here in the House? Does the gentleman know that in spite of all his committee has done to stop communism, that one of the most dangerous Communists in the United States, who is the spokesman for Soviet Russia, is to speak over the radio tomorrow night? He is a representative of the Daily Worker who has direct connection with Russia and is to speak over the radio on a national hook-up?

Mr. McCORMACK. I hope the gentleman intends to yield me additional time.

Mr. MAVERICK. Does the gentleman object to a representative of the Communist press in the gallery or to his speaking over the radio?

Mr. BLANTON. Yes; absolutely. If I had my way about it they would be kicked out of the press gallery.

Mr. MAVERICK. Mr. Chairman, I object to the gentleman from Texas [Mr. BLANTON] answering. Besides it is a "she."

Mr. BLANTON. There is one of both, a "he" and a "she."

Mr. McCORMACK. The two gentlemen from Texas can argue that out between themselves, but not in my time.

Mr. MAVERICK. Mr. Chairman, will the gentleman let me ask just one simple question?

Mr. McCORMACK. Well, now, I have great admiration for Texas.

Mr. MAVERICK. And I have for Massachusetts. My ancestors came there in sixteen something, twenty, or thirty; they owned East Boston.

Mr. McCORMACK. But I shall let the Texans settle their own quarrel between themselves.

Mr. MAVERICK. I am quarrelling with you. [Laughter.]

I want to ask the gentleman if he objects to a representative of the Daily Worker being in the gallery?

Mr. McCORMACK. That is between the two gentlemen from Texas. I am not here to talk about that. I am here to talk about something else.

The gentleman asked a pertinent question with reference to the difference between "advocacy" and "incitement." Under a criminal statute there must be intent. Advocacy means in a manner to incite. There must be proof. Now, it may be said, What is to stop a United States attorney from

indicting and a grand jury from returning an indictment and a jury from finding the man guilty? The answer to that is the other constitutional right that any of us has, which is the right to a trial by jury.

Suppose I was arrested for attempting to commit robbery. Assume further I am not in as fortunate a position as I am today but, like millions of Americans who are economically depressed through no fault of their own as a result of the depression, I do not have the background that some others fortunately are able to point to. I may be arrested on suspicion and the person who has been held up identifies me in the line. What is my defense? What is my right? What right of protection have I?

I have, just as anyone will have if indicted for violating a law of this kind, or any other law, the right to a trial by jury. The experience of mankind for hundreds of years points to the fact that that approximates the greatest degree of justice and satisfaction—not complete justice—not complete satisfaction, because that is impossible where anything is administered through human beings. But it approximates justice, and it is the constitutional right we have when charged with the commission of crime. It is the best safeguard of our liberties. In fact, it is the only safeguard any American has when charged with crime.

Mr. MAPES. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. MAPES. The gentleman was facing the other way at the moment and we did not clearly understand on this side the difference, as the gentleman stated it, in the interpretation or definition of the word "advocacy" when used in a criminal statute and the general understanding of the word. Will the gentleman repeat his statement as to that?

Mr. McCORMACK. Advocacy under a penal statute, as construed by the Supreme Court in the Gitlow case, does not mean a philosophical discussion; it does not mean an essay; it does not mean an academic discussion; it does not mean a debate; it does not mean books being published. It means something being said or written the purpose of which is to incite others. In other words, the burden of proof is such that there must be shown not only an intent, and as we all know as lawyers intent is inferred from acts, but there must be, so far as the burden of proof is concerned for all practical purposes, the commission of an overt act.

Mr. Chairman, this is the first time I have discussed the two recommendations of the committee, the other recommendation being the so-called disaffection bill introduced by myself at the request of the Navy Department and having the concurrence of the War Department. It has the recommendation of the committee. It was referred to the Military Affairs Committee and reported out by that committee. The Kramer bill, which has the recommendation of the special committee, making it a crime to knowingly and willfully advocate the overthrow of the Government by violence and force, was referred to the Judiciary Committee and reported out by them. They are both now on the calendar and pending before the Rules Committee. It is on the doorstep of the Rules Committee, under which committee a rule must be obtained before the House can give consideration to either one or both of these bills.

Mr. Chairman, a lot of statements have been made as to what these bills will do, referring particularly to the so-called disaffection bills. The purpose I had in rising today was to refute some of the misstatements of fact made in connection therewith. Whether made honestly or otherwise, they constitute misrepresentations of the fact just the same.

Mr. MOTT. Will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Oregon.

Mr. MOTT. The gentleman has interpreted advocacy, as used in his bill, to mean really the commission of an overt act. May I ask the gentleman why he does not write that language into the bill and make the commission of an overt act a requirement for prosecution under the act?

Mr. McCORMACK. The result is practically the same. The language used is very plain and simple.

Mr. MARCANTONIO. The language is on the statute books now. We have insurrection and other similar statutes on the books at present.

Mr. McCORMACK. Mr. Chairman, coming back to what I said prior to yielding, my purpose in rising was to refute some of the erroneous reasons advanced against this bill. I have no controversy with anyone who opposes either or both of these bills. They have a right to do that, and I respect their right, but I condemn the characterization by slurring names of Members, or anyone, or organizations who are fighting for the passage of these bills.

A man who characterizes other men should not live in a glass house, because he is likely to be characterized himself. So, whatever discussions we have, let us have them on a broad, honorable plane. Let those who favor the bill argue their reasons. Let those who are against the bill argue their objections to it. Members may be for either one or both of these bills. There can be an honest difference of opinion, and Members can take a position either way. Although I may disagree with them, I can respect their position; but when some start to impugn the motives of others, then it goes too far. It is wrong. It is not decent. It permits of recrimination, a course I dislike to engage in.

Mr. Chairman, what are some of the arguments advanced against this bill? My good friend from Texas [Mr. MAVERICK] included in the CONGRESSIONAL RECORD of February 25 a copy of a speech he made in an adjoining city to the effect that one could be found guilty if the disaffection bill became a law if he argued against increased appropriations. That is not a correct statement, unintentionally so, I realize, but incorrect.

The argument has been made that this measure affects the pacifist movement of those good women and men who believe in pacifism. Now, I may disagree with them, but I respect their rights and their views. This has nothing to do with them and does not affect them in the least.

The argument has been made that if some woman or some man, believing in pacifism, should try to tell a young man not to join the Army or the Navy, they would be violating the provisions of this bill. This is not correct.

The argument has been made that if some mother wrote to her son in the Army about some law or regulation, this would be a violation of the law. This is not correct.

The argument has been sent out, and many honest, fine American citizens have obtained a misunderstanding of the bill as a result of it, that if they were to protest against a law or regulation governing the Army or the Navy, they would be violating the law. This is not a correct statement.

The disaffection bill, so called, confines itself to those who act in a manner to incite disaffection in our armed forces, the Army or Navy; not the National Guard, as amended by the Military Affairs Committee of the House upon my own recommendation.

What is wrong with this? What is wrong with the Kramer bill?

Furthermore, there is a tendency these days for anybody who says anything about America, or who might make an American speech, to have the charge hurled at him that he is a Fascist.

Mr. LAMNECK. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. LAMNECK. I have had a lot of correspondence about these two bills, and those who are opposed to their passage argue that there is plenty of existing law to cover the points that are contained in these two pieces of legislation, and I should like to ask the gentleman what he has to say about that.

Mr. McCORMACK. Well, I will just give the gentleman some evidence.

Several months ago a naval vessel was on the west coast and two Communists went on the vessel distributing literature urging the enlisted men to disobedience. It is not a question of whether communism can accomplish its purpose or not; it is attempting to do so. If anybody is arrested for attempting to commit robbery or arson, if found guilty,

he is incarcerated and punished. In the case I have just mentioned our officials could not prosecute those Communists.

Only within the past two weeks, two more Communists went aboard a vessel on the west coast distributing literature to incite disobedience, and they were arrested. There is no Federal law covering it and the United States attorney had to release them. He could not prefer charges against them, because there is no Federal law covering the subject.

I hope this answers my friend's question.

Mr. MAAS. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. MAAS. What is the purpose in opposing the passage of this law unless they want the right to incite our armed forces to disobedience? [Applause.]

Mr. BLANTON. That observation exactly covers the case.

Mr. McCORMACK. Yes; exactly.

No American need fear either one of these bills or need fear that his right of freedom of speech is involved in any way under the language of knowingly and willfully advocating the overthrow of government by force and violence.

What about freedom of religious conscience? Could anyone say that their constitutional right of freedom of religious conscience is impaired or destroyed if Congress were to pass a law making it a crime for any man or woman to marry more than once, to have more than one wife or husband at the same time, and yet those who advocate the overthrow of government contend that they have a right of freedom of speech when they are trying to destroy that right—the great right of freedom of speech which our institutions of government guarantee. [Applause.]

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I yield the gentleman from Massachusetts 5 additional minutes.

Mr. COLE of Maryland. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. COLE of Maryland. Is the gentleman's bill, which we know as the McCormack bill, identical with the Tydings bill which passed the Senate?

Mr. McCORMACK. No. As originally introduced, they were. Senator TYDINGS and I introduced the bill for the Navy Department, and the War Department concurred, although I am frank in stating I understand from reliable sources that Secretary DERN has shifted his position. I am frank in making that statement; yet he sent up a letter strongly endorsing the bill. I might also say that this is consistent with Secretary DERN's handling of General HAGOOD. [Laughter and applause.]

Mr. COLE of Maryland. Mr. Chairman, will the gentleman yield further?

Mr. McCORMACK. Before yielding may I say that when a Secretary of War or any other member of the Cabinet sends a letter to the Congress endorsing a bill and then changes his position, that man loses the confidence of every Member of both branches of Congress. They cannot rely on his word in the future. They cannot rely on the consistency of his position. Whether Members agree with this bill or not, he has done something which has destroyed his effectiveness in the minds of the Members of Congress.

I now yield to the gentleman.

Mr. COLE of Maryland. Although the bill introduced by the gentleman and the bill which passed the Senate, known as the Tydings bill, are not identical, do they not in theory accomplish the same purpose?

Mr. McCORMACK. Yes.

Mr. COLE of Maryland. Am I further right in the assumption, as I gathered from the papers, that since the passage of the bill in the Senate, which is identical in purpose with the gentleman's bill, the Senator from Maryland has withdrawn his support of the measure?

Mr. McCORMACK. I do not want to pass on that.

Mr. COLE of Maryland. Does not the gentleman know whether he has?

Mr. McCORMACK. I do not know from my personal knowledge. I read the newspapers, of course, just the same as the gentleman does.

Mr. COX. Has the gentleman read into his speech the Dern letter?

Mr. McCORMACK. I intend to put that into the RECORD; yes. I insert the letter at this point. Also the letter of the Secretary of the Navy:

WAR DEPARTMENT,
Washington, D. C., February 28, 1935.

Hon. JOHN J. McSWAIN,
Chairman, Committee on Military Affairs,
House of Representatives.

DEAR MR. McSWAIN: Careful consideration has been given to the bill (H. R. 5845) to make better provision for the government of the military and naval forces of the United States by the suppression of attempts to incite the members thereof to disobedience.

The War Department heartily concurs in the aim of the bill submitted for report. Such an act would have the effect of protecting members of the armed forces from insidious propaganda, oral and printed, urging disloyalty and disobedient conduct among them. Its provisions constitute a reasonable and proper restriction which may be placed by Congress upon the freedom of contact of civilians with members of the Government's armed forces.

A law of this nature does not violate the constitutional guaranties of freedom of the press, for that guaranty does not extend to protection of him who counsels and encourages the violation of the law as it exists. Nor, for the same reasons, does it appear that the guaranty of freedom of speech would be violated.

For the above-stated reasons the War Department favors the passage of the bill.

Sincerely yours,

GEO. H. DERN, Secretary of War.

NAVY DEPARTMENT,
Washington, February 28, 1935.

THE CHAIRMAN, COMMITTEE ON MILITARY AFFAIRS,
House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: The Navy Department has noted that the bill (H. R. 5845) to make better provision for the government of the military and naval forces of the United States by the suppression of attempts to incite the members thereof to disobedience has been referred to your committee for consideration.

The Navy Department is heartily in accord with the purpose of this bill. Literature of a nature subversive to the Government has been distributed, in increasing quantities in recent years, to the personnel of the Navy. The literature, apparently emanating from Communist organizations, seeks to undermine the morale of the Navy by urging disloyalty and disobedience of laws and regulations for the government of the Navy.

Existing law is inadequate to curb this propaganda. The pamphlets and leaflets are carefully worded to avoid the insurrection and sedition provisions of the Criminal Code (U. S. C., title 18, secs. 4 and 6), and the publishers likewise escape the penalties of sections 344 and 345 of title 18, United States Code, by avoiding use of the mails.

The bill (H. R. 5845), it is believed, will protect the armed forces of the United States from the contaminating influences of propaganda which has as its ultimate object the overthrow of our Government by force. The proposed legislation does not infringe upon the rights of free speech or of a free press. It does not prevent any person from advocating a change in existing laws by lawful means. It does, however, prevent persons from urging members of the armed forces to violate the laws and regulations by which they are governed.

The Navy Department recommends the enactment of the bill H. R. 5845.

Sincerely yours,

CLAUDE A. SWANSON.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. SCOTT. I hope the gentleman does not mean to say that if a man changes his mind he would have less of the confidence of the people who might have listened to him theretofore?

Mr. McCORMACK. I mean this, so that there will be no misunderstanding. When Secretary Dern or any other Secretary sends out a letter endorsing a bill and that letter is considered by the members of a committee and the Secretary changes his position, then I simply say that Members and committees in the future cannot place complete confidence in any recommendations that later come from that source. Of course, all I know about it is from what I have seen in the newspapers. I did send him a letter asking him about it, but I have not received a reply as yet.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Yes.

Mr. BLANTON. When recently I made a speech in favor of the Kramer bill, and in favor of the gentleman's bill, I received vicious threats from many Communists from all over

the United States; from New York, Pittsburgh, Cleveland, San Francisco, Detroit, and Chicago, threatening me and trying to bulldoze me. They hope by threats to scare and change people. If I should change my position through fear of such threats what would the gentleman then say about changing attitudes?

Mr. McCORMACK. The question of my good friend answers itself.

Mr. BLANTON. Sometimes such threats scare some men into changes.

Mr. McCORMACK. Not you. Your courage is unquestionable. As bearing on the question of the necessity for legislation, I wish to compliment my friend from Texas [Mr. MAVERICK]. Mr. MAVERICK himself introduced a bill aimed in the same direction, though not the same as the bill which I introduced at the request of the Navy Department, the War Department concurring. The gentleman from Texas [Mr. MAVERICK] introduced H. R. 6733 on March 14, 1935, and the bill is a short one. It is as follows:

Be it enacted, etc., That section 45 of the Criminal Code, as amended, is hereby amended to read as follows:

"SEC. 45. Whoever shall go upon any military or naval reservation, ship, army post, shipyard, fort, or military or naval arsenal, or any military or naval property owned by the Federal Government of the United States, for any purposes prohibited by law or military or naval regulations made in pursuance of law, or who ever shall reenter or be found within any such reservation, ship, army post, shipyard, fort, or military or naval arsenal, or any military or naval property owned by the Federal Government of the United States, after having been removed therefrom or ordered not to reenter by any officer or person in command or charge thereof, shall be fined not more than \$500 or imprisoned not more than 6 months, or both."

I agree with my friend. The first part of that bill is good. The second part gives the officer in command too much power. I assume, however, that the parts are related, but under the second provision, as I construe it, if it were to pass—and I do not think the gentleman intended it—if an officer, without authority of law or of regulation, ordered you or me out of a navy yard and if we came in again, we could be found guilty under the bill, although the officer himself, in giving the order to us had no authority either by law or regulation to do so. However, I assume the gentleman did not mean that, so I shall place a broad and liberal construction upon the latter part of his bill.

Mr. MAVERICK. I call attention to the fact that that law is practically in effect now. It is an amendment changing a few words. It concerns the military establishment and their discipline.

Mr. McCORMACK. But it shows that the gentleman thought a law was necessary. It showed the gentleman considered additional legislation necessary.

Mr. MAVERICK. No; I did not, and I will explain later.

Mr. McCORMACK. Then why did you introduce the bill?

Mr. Chairman, where is the opposition? Here is a petition of the League Against War and Fascism. That does not say the League Against War, Communism and Fascism, but it is the League Against War and Fascism—a Communist organization. That is where the opposition comes from. Many fine Americans are deceived; many fine Americans misunderstand the purpose of both laws because of the bill being misrepresented by its enemies, and being misunderstood by others. My purpose is to clarify the situation. This legislation is aimed in the direction of preserving, not destroying, the institutions of Government which we have inherited. [Applause.]

Mr. DITTER. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman and members of the Committee, the drafting of reciprocity agreements goes merrily on, and it seems there can be nothing done about it. We surrendered all our rights along this line when we gave the authority to the executive branch of our Government.

It seems that reciprocity agreements are all drafted with utter disregard to the effect that it may have on the majority of the citizens of our country. I am sorry to say, but it seems that they are drafted right in the face of information that

shows they will adversely affect certain lines of industry in our country.

While we are helpless to do anything about it, it is our duty to bring to the attention of the people of the country some of the adverse effects of these reciprocity agreements, and particularly when one receives communications from the people in his own district with whom he is acquainted, in which they set forth in detail just how these measures affect their business and the people in the community that depend on that industry.

In my district and county is a manufactory of paper and paper board. It is an industry that has been operating there for nearly a century. Only a day or so ago I received from the president of that concern—a man whom I have known for years—a communication calling to my attention the report of the National Paper Board and Paper Manufacturers of America. It is a report compiled by this association, and it sets forth an analysis of the trade agreements which affect the paper industries in the country.

I wish to call attention to one or two things in that report.

I have no quarrel with my neighbor and colleague [Mr. HARLAN] as to these reciprocity agreements, but the claim is made by him that certain selfish interests are preying on the emotions of our people in opposition to these agreements.

This report of the National Paper Board Association is not confined to emotions. It is a cold-blooded analysis of their effect on its business. There are three reciprocity agreements that particularly affect their industry. I want to mention briefly one or two concrete illustrations.

The reciprocity agreement with Belgium, in effect May 1, 1935; the Switzerland agreement, effective August 6; and the third, the Netherlands agreement, effective February 1, 1936, which was only a few days ago.

As regards the agreement with the Netherlands, effective only a month ago, it is called to our attention that this is the most notable example of the policy of the administration to reduce commodity rates in the face of careful studies of competitive conditions in Holland and the United States. Two important items were affected by this agreement: Bristol board, chiefly produced in New England, and nine-point straw paper for the corrugated-box industry, largely a product of Illinois, Indiana, and Ohio.

They go out from these paper mills with their trucks and haul in the straw from the farmers after they have threshed, and it is out of that straw that this strawboard is made.

In the case of bristol, because of the severe competition which had existed in some grades, the House Ways and Means Committee made a radical departure in the phraseology of the act of 1922, which provided a rate of duty of 3 cents per pound and 15 percent ad valorem for bristol made on a Fourdrinier machine. This bristol is made in various qualities on both cylinder and Fourdrinier machines, and the act of 1930 included cylinder bristol at the rate formerly fixed for the Fourdrinier-machine product, instead of the old rate of 10 percent as cardboard, under which it had been imported. Importers immediately protested to the United States Customs Courts against the higher rate, and after 3 years in the courts a final decision was rendered by the United States Court of Customs and Patent Appeals holding cylinder bristol to be properly dutiable at 3 cents per pound and 15 percent. The trade agreement with the Netherlands, chief exporter of this product, reduced the rate of duty to 2 cents per pound and 10 percent on all low-priced bostols, this agreement being consummated after the court had decided on the duty rate for this commodity. Inasmuch as the new rate only became effective February 1, there is as yet no indication of the probable results on the American market.

But the point is they go ahead and reduce this rate in spite of findings of that kind that it should not be reduced.

Now, as regards the manufacture of straw into strawboard, which is used to make boxes for shipping, and so forth, with which you are all familiar, I want to call attention to this: That the strawboard mills in the 3 years ending 1935 produced an average of 312,228 tons of this material. About 1½ tons of straw are required to make a ton of paper, so that the straw consumption in those years averaged 468,342 tons. About one-half a ton of straw per acre is the usual product. So that the new Netherlands agreement will have an adverse effect on the farmer selling straw from 936,684 acres.

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Strawboard from Holland is being offered at \$37 per ton, duty paid, as compared with the domestic price of \$46 to \$47. In order to meet the competition the domestic producers will be forced to reduce the price paid for the domestic straw to nearly the entire difference of \$10 per ton, the alternative being to discontinue production and purchase of any of the straw formerly consumed. The only ray of hope to the domestic industry is the fact that the Dutch mills, though nearly as numerous as the American, cannot supply the entire needs of the American market. The foreign product, however, will be imported in sufficient quantities to fix the American price of not only straw but chestnut, pine, and kraft paper, which is also produced here.

Now, Mr. Chairman, if we do not do anything about the reciprocity authority that has been granted to the executive branch of the Government and which is being misused to the detriment of the people of this country, I know when there is going to be something done about it. It is going to be done by the voters at the next election. The administration has done some things for the farmer. I do not quite understand it, but they have an idea that so long as under the A. A. A. or the new soil-erosion bill they can mail out checks to the farmers they will retain their friendship, believing that this administration is their friend. At the same time they will be doing these other things that are so detrimental, but not quite so visible, because the farmer is not in a position to understand just what is being done to him.

Mr. KNUTSON. Will the gentleman yield?

Mr. MARSHALL. I yield.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. TABER. I yield the gentleman 2 additional minutes, Mr. Chairman.

Mr. KNUTSON. Supplementing what the gentleman has said, I should like to call his attention to the fact that as a result of importations from Canada the paper mills at Sartell, Little Falls, Brainerd, Cloquet, and Grand Rapids, all situated within the State of Minnesota, have been compelled to discontinue the manufacture of newsprint. Some plants are completely closed down and others have converted into kraft-paper making. Of course, it is only a question of time until we will have a surplus of kraft paper in this country, and it will no longer be profitable to produce kraft paper. Then they will have to close down or find something else. The whole trouble with the administration's reciprocal-trade policy, as I see it, is that it dislocates, seriously, industry in this country.

Mr. MARSHALL. The gentleman is quite right.

Mr. JENKINS of Ohio. Will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. JENKINS of Ohio. Does the gentleman know what proportion of straw produced in his great agricultural district is now being bought by these paper mills?

Mr. MARSHALL. The farmer, of course, does not sell all of his straw. He keeps a certain amount of straw for stable purposes—bedding, and so forth.

Mr. JENKINS of Ohio. In other words, would there be any market for all the surplus straw if it were not for these mills?

Mr. MARSHALL. There has always been a ready market for all surplus straw in my county to the paper mill at Cedarville, Ohio. In fact, they have to ship straw in there. They cannot be supplied locally.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. BLANTON. Mr. Chairman, our distinguished colleague the gentleman from New York [Mr. CURLEY] is to make his maiden speech this afternoon. I yield him 10 minutes for this purpose. I hope you give him a glad hand. [Applause.]

Mr. CURLEY. Mr. Chairman, at the outset I wish to state that I am indeed very grateful for the opportunity to emphasize the thought that was in my mind on the 3d day of January, when I stood in the Well of this House, raised my right hand before the Speaker, and swore to support the Constitution of the United States and to well and truly per-

form such duties as devolved upon me during the course of my term of office as a Member of Congress; and I am glad today to make my first brief address to the Members of the Congress. I am not at all strange to legislative halls. It has been my proud privilege to serve for 20 years in the board of aldermen of the great city of New York, the same district I now represent in the Congress, a district that was so ably represented by my predecessor, the late Anthony J. Griffin, who made such a brilliant and distinguished record for himself and his constituents.

Mr. Chairman, I come before the Committee today as a result of a situation—an aggravated situation, I might call it—that has grown by leaps and bounds in the district I represent.

Two events have transpired in this country in the past week that should attract the attention of every true American. Both events clearly indicate this country is headed toward destruction unless an immediate check is made on the forces undermining our Government, both within and without.

In one case Robert L. Ripley, outstanding American cartoonist, whose honesty has never been questioned, has been refused permission to enter Russia. The Soviet Government has barred its doors to Mr. Ripley because he, in a radio address last April, described conditions in Russia as he saw them.

In contrast to this we have the amazing spectacle of a Communist who tomorrow will have an opportunity of spreading more poison among our people. This Communist—Earl Browder, head of the Communist Party in America—will speak over the Nation-wide Columbia broadcasting chain.

Here, then, we have the two cases. They afford us a concrete example of the manner in which our citizens are treated by Russia, and the supine way in which we coddle an enemy within our gates.

Not only do we invite foreigners to our country, but also we feed them, clothe them, put them on relief, and give them jobs that belong to Americans. Still this is not enough for us big-hearted Americans. After feeding these aliens, giving them a chance for life under a democratic system of government which they despise and which they would like to tear down, we encourage them to line up their cohorts and destroy us.

Are we to continue this? Is there no way to check the spread of this poison among our people when Browder talks tomorrow?

Ripley is a cartoonist for the Hearst newspapers. He committed no offense against the Soviet Government. He did not advocate overthrowing communism. He did not discuss the merits or demerits of a dictatorship. He merely told radio listeners what he saw in the capacity of a reporter. For the "crime" of reporting facts, therefore, he is to be punished by not being allowed to visit the country on a world tour he had planned.

His disbarment is one of the most atrocious and reprehensible of the many vicious schemes Soviet Russia has created for the protection of a dictatorship and the spread of communism throughout the world. The "red's" action is merely a barrage sent up to protect their nefarious system of propaganda. We have been told so much in this country about the social and economic progress being made in the land of the Reds. Ripley exploded those false statements in one blow.

The Russians' action in closing their door to Mr. Ripley merely serves to prove that the facts he related on the radio are true. Otherwise why do they not allow him to visit the country? They know well that Ripley in another visit would get additional information on conditions behind the smoke screen of propaganda behind which Russia hides herself.

But the Ripley case may yet have its good effects, although it is a pity an outstanding American is punished for relating facts. The Ripley case will once again focus the attention of the American people on the crying need for stricter enforcement of our immigration laws and the great need for sweeping legislation which would rid this country of the thousands of alien crooks and scoundrels

prowling our streets, ever anxious for the opportunity to strike and drive us from our homes.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I yield 3 additional minutes to the gentleman from New York.

Mr. Chairman, will the gentleman yield?

Mr. CURLEY. I yield.

Mr. BLANTON. Does the gentleman know that communistic Soviet Russia has executed and put to death more people than lost their lives during the entire period of the World War?

Mr. CURLEY. I have so read.

Mr. BLANTON. That is a fact.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield for a question?

Mr. CURLEY. I cannot yield; my time is too limited.

Mr. MARCANTONIO. The gentleman yielded to the gentleman from Texas. I am his neighbor.

Mr. CURLEY. I yielded to the gentleman from Texas because he is the chairman of the committee and was courteous enough to grant me additional time. I shall be glad to debate the question with the gentleman on some other occasion when we have more time. The gentleman and I are not strangers to each other.

Mr. Chairman, fortunately, few Americans tomorrow will listen to Communist Browder. We are too busy right now in getting our own house into shape in a democratic manner without listening to the claptrap panaceas to be offered by crackpot and vicious spokesmen for a crackpot scheme. Americans know too well that communism means starvation, loss of liberty, social misery, and tragedy. They are not interested in a form of government that means the breaking up of the home, tearing down of churches, and the persecution of those who would speak in opposition. It would seem, therefore, that Communist Browder will be talking to himself when he goes on the air tomorrow through the incredible kindness of the Columbia Broadcasting Co. A nose on the grindstone is worth two on the air.

But I should like to call attention to the fact that in the dangerous inroads being made in this country by foul speeches only one voice in America rises in opposition. That is the voice of William Randolph Hearst, a true American and a publisher who has kept the faith.

It is not an exaggeration to say that were it not for the stern warnings carried in the Hearst newspapers—in editorials that the man on the street can understand—this country today might be under the domination of the Soviet Government. Russia, too, is aware of this and there is no man in the world today they fear more.

All true Americans owe a debt of gratitude to Mr. Hearst. He has been fighting for years for the protection of our country against the inroads of Socialists, Communists, and others who would destroy us. He has defended his country at all times and against great odds.

Time after time we have been on the brink of destruction by allying ourselves with foreign powers for world peace. Each time the force of the great chain of Hearst newspapers has been thrown against such an alliance and we have been saved.

No history of this era would be complete without a complete record of Mr. Hearst's achievements and the many accomplishments for his country. Year after year and day after day he wields his mighty pen, the sharpest defense weapon yet devised by man, in the interests of his country. Unselfish and indefatigable, he will be ranked with the other patriots of this land of freedom. Others before his time set up the democracy. He has preserved against many onslaughts every stone in that great citadel.

As long as there is a Hearst newspaper printed communism will never get a foothold on this country. [Applause.]

Mr. BLANTON. Mr. Chairman, I yield 12 minutes to the gentleman from Indiana [Mr. LUDLOW], a member of the Committee on Appropriations.

Mr. LUDLOW. Mr. Chairman, I have asked my good friend the gentleman from Texas [Mr. BLANTON] for this brief allotment of time in order that I may remind members

that we are allowing precious time to slip away without doing anything to keep our boys from being dragged into the terrible hell of war in foreign lands.

This session of Congress is proceeding rapidly toward its close and instead of doing something effective to keep America out of war we are drifting, drifting, drifting as if to confess that we are utterly supine, helpless, and pathetically unable to deal with the situation.

With memories of war's agonies and the cataclysm of evils in its wake still haunting and oppressing us, and with the prospect of another world war now full upon us, we Members of Congress have no excuse for temporizing. We must show vision, initiative, and high moral courage if we are to keep America from becoming involved in another war.

I have filed at the Clerk's desk discharge petition no. 28 to discharge the Committee on the Judiciary from further control of House Joint Resolution No. 167, the resolution I have introduced for a constitutional amendment to give the people a right to vote on a declaration of war and to take the profit out of war.

Give the men who have to fight and, if need be, to die, and their wives and mothers the right to vote on a declaration of war, and America will never enter another war that is not a righteous war and a war of defense.

Take the profit out of war and there will be few wars. This House already has gone on record in favor of taking the profit out of war by statute. The bill we passed at the last session is languishing in a pigeonhole of a Senate committee, and the probability is it will never see the light of day. My resolution proposes to do by constitutional amendment substantially what the bill we passed last year proposed to do by statute. The purpose to be achieved can never be accomplished by statute, for the reason that influences that maneuver a country into war can, and will, repeal in a jiffy all statutes that conflict with their aims. Only a constitutional amendment has the permanency and stability necessary to take the profit out of war. I believe the constitutional amendment I have proposed presents in concentrated form the best plan yet advanced to save America free from war's entanglements. I believe also that early action on the resolution is imperatively necessary to make peace secure. Under the existing poor excuse of a neutrality law our exporters can sell war supplies—not strictly munitions—in unlimited quantities to warring nations and thus bind us to the fortunes of belligerents in a way that is almost certain to drag us into any war of magnitude. At this moment the outlook that we may be sucked into war is terrifying.

If we listen to the heartthrobs of wives and mothers we will adopt my resolution. If we place peace above the fleshpots of profit, we will move without delay to bring my resolution out of committee to the floor of this House for debate and action.

My chief purpose in arising to address the House therefore is to plead with colleagues on both sides of the aisle to sign discharge petition no. 28 in order that in the face of imminent national danger we may break the spell of lassitude and inaction that grips us and do something worthwhile to save our country from being drawn into another horrible war.

The antiwar resolution I have introduced is not one of the panaceas that are floating around Washington in such numberless variety. It should not be confused with them. It is a sound proposition. It is a forelooking proposition. It is fundamental. It is in harmony with the humanitarian concept that must have come down to Thomas Jefferson from the very throne of divinity when he wrote into the immortal Declaration the precious doctrine that "all men are created equal." My proposed amendment makes all of our citizens equal when it comes to the most important of all decisions—the decision that signs the death warrant of our fine young men. On account of lack of means of communication a referendum on war was not practical in the time of Jefferson. Now when the fast trains, the airplanes, the automobile and modern highways, the telegraph and telephone and radio have annihilated time and space, it is practical.

In pleading for my resolution I am not thinking entirely of the splendid young men who are the potential cannon fodder of the Nation, great as is my concern for them, but beyond them I am thinking of the fathers and mothers, the sisters and the precious little ones whose hearts will be torn and who will be tragically victimized if we become embroiled in another war. Surely there must be statesmanship enough in Congress to erect at this very session some safeguards to protect the peace that America so much craves.

The discharge petition which I filed has been on the Clerk's desk several days. I am sadly, sorrowfully, disappointed because so few members have signed it. I beg you not to dismiss this proposal in an offhand way from your minds as something impractical and unworthy. It is both practical and worthy. Please look into it. Read the hearings before the Judiciary Subcommittee—a copy of which I sent to each Member—and see how it is supported by thinking people, by men and women of thought and purpose all over the country, and by humble people of the rank and file who are hoping and praying that never again will they be subjected to the awful ordeal of war. The resolution I have introduced is not only needed to establish the principle of equality that those who have to suffer and die and pay the stifling costs of war shall have a vote on war, but it is especially needed at this time to retrieve the principle of taking the profit out of war, for which this Chamber went on record last year and which is being strangled to death in another body.

I believe that all of the Members of this House are sincerely, conscientiously, prayerfully interested in seeking that our boys are kept out of slaughter pens in foreign countries, but to achieve results we must pin our thought and sentiment to some definite proposal, and with all of the earnestness I can command I plead with you to sign discharge petition no. 28, so that my resolution may be brought before the House for consideration on its merits. [Applause.]

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, sometimes I cannot escape the conviction that there must be a lot of Presbyterians in this body, because they always make for the rear seats. But if they expect to hear this good gospel they will have to come down in the front seats, because I hear the droning in the Chamber that reminds me of the days of old Ichabod Crane teaching school in Sleepy Hollow—you remember the drone that came from the windows of the schoolroom in the spring afternoon? So I shall address myself particularly to the good brethren who are gracing the baptismal seats this afternoon.

I want to speak for a little while on the Interior Department appropriation bill which will be coming back in the form of a conference report, perhaps this week or early next week. We passed that bill in the House on the last day of January, and it contained \$81,000,000. It was passed in the Senate on the last day of February, and it contained \$144,000,000. Somehow or other, like little Topsy, it just grew \$62,000,000 over on the Senate side. Now, \$62,000,000 may be pin money to a lot of people, particularly to some of our good followers of the New Deal, but to one of frugal extraction like myself, who used to receive a penny to spend when he was a boy, with the admonition of his mother not to spend it all in one place, \$62,000,000 is more than pin money. In fact, I was so intrigued with this increase in appropriations that I began to examine this report and I found that \$57,600,000 was credited to the Bureau of Reclamation. On breaking down the report I found that the Senate had given these additional millions of dollars to eight Western States covering 16 different reclamation projects. We ought to go back a little bit in discussing this appropriation for reclamation and consider very briefly what we have done in the last 2 or 3 years with respect to agriculture.

We passed the Agricultural Adjustment Act on the theory that there was an existing surplus. It was said that too many farm products were being produced in the country; that our domestic purchasing power had been impaired; that our foreign markets were gone, and, therefore, it became

necessary to pay good hard cash in order to retire a lot of this acreage out of cultivation. The record will show that when the Agricultural Adjustment Act winds up its affairs it will have expended \$1,408,000,000 and that it has contracted out of production of money crops, such as corn, wheat, tobacco, and cotton, substantially 44,000,000 acres of some of the finest land in the country.

We became reduction conscious and were aware of the fact that when they were speaking of reclamation and irrigation projects that there ought to be some consistency in this policy as measured by the basic theory of the Agricultural Adjustment Act. So in the appropriation bills for the Interior Department for 1935, 1936, and 1937 we put in a little phrase or clause providing that—

None of these appropriations shall be expended to investigate the feasibility and economic soundness of any new irrigation project.

That was a fine thing, and I was rather satisfied with it, not realizing that down in some of the departments, out of emergency funds, they would allocate \$50,000 or \$60,000 to explore some new unit or explore some new project and somehow nullify the phrase by giving a strange twist to the word "new." By virtue of the exploratory work I suppose it became old. So this provision in the Interior Department appropriation bill did not apply or, at least, did not prevent additional acreage from being added to our farm domain.

It would seem, therefore, that the provision that we inserted in these bills was, after all, nothing more than an idle gesture. Now we have passed the Soil Conservation Act, and I observe from the newspapers Mr. Wallace says he is going to undertake to retire 50,000,000 acres of land from money-producing crops and put those acres to rest or into soil-conserving and soil-enriching crops, which is nothing more than another name for control. We know that as well as anyone. You can call it by any other name, but it still remains control, on the theory that we cannot permit the granaries and the elevators to fill up with grain in the next year or two because it will break down prices, ruin the agricultural purchasing power, and have a very deleterious effect on the unemployment situation in the country. Everyone knows that that condition is already bad enough, with twelve and two-thirds millions out of work, according to the report of the American Federation of Labor. It all works in a cycle; yet the fact remains that the new measure is very fundamentally and essentially a control measure. It aims to prevent overproduction by retiring, controlling, and rotating existing acreage.

If that be the case, and if we are going out to the States of Illinois, Iowa, Kansas, Missouri, and other States and there pay good money, which has been taken out of the Federal Treasury—which fact was emphasized in the President's message yesterday when he estimated the annual cost of the adjusted-farm program at somewhere in the neighborhood of \$500,000,000—with which to retire acreage, then I contend that there must be a pretty good reason for bringing in any new acreage whatsoever into cultivation. There can be no consistency in a program which seeks to go into some of the States and pay the taxpayers' money to the farmers to take acreage out of cultivation and then spend money out of the same Treasury to bring new acreage into cultivation.

When I look over this report on the new Interior Department appropriation bill, in which more than \$57,000,000 has been added to some of these so-called irrigation projects out in the West, I swear, for the life of me, I cannot see the consistency of it. I appreciate that one can live with a proposal, a policy, or a theory to the point where he develops a kind of psychological blind spot. One sometimes has to go back and reexamine the original sources and reasons to find out whether one is all wrong and whether one is out of step with the world. I contend there is no consistency in such a program and for this \$57,000,000 appropriation to bring new land into cultivation. Let us look at some of the projects that come under this authorization:

First, there is the Gila project in Arizona. I examined the justification report of the Department of the Interior, and

when you get all through with it you will find a program authorized which is going to run for perhaps 20 or 25 years and will bring 585,000 acres into cultivation when the thing is finally completed. It will cost from \$75 to \$150 per acre to develop that land into productive farms, and when developed it will produce alfalfa, seed, flax, cotton, sorghum, and so forth. We have ample land for such purposes already.

There is the Salt River project, providing 10,000 new acres. There is the Central Valley project in California, part of which is being cultivated at the present time, some of it in an indifferent fashion, but when they get all through they will enhance the fertility of over 800,000 acres in this project. Total cost for this will be about \$170,000,000. There is the Grand Valley project, 10,000 new acres. There is the Boise project of 47,000 acres, which is a new unit in an old project. There is the Deschutes project in Oregon, 50,000 acres; then the Grand Coulee project, 1,200,000 acres; and the Columbia Basin project, 1,500,000 acres. Some may contend this is not new acreage, but if you go back and examine the report and read the Senate hearings you will find that some of them are new units to existing irrigation projects. Others are being indifferently farmed at the present time, so that they cannot be considered as a part of our real present tillable domain. The rest of it will be virgin soil brought into cultivation.

Mr. Chairman, if they are going to spend \$57,000,000 to add six, seven, eight, or ten million acres to the tillable domain of this country, what is the sense of dipping into the same Treasury and spending so much per acre to retire the fertile lands in the Illinois Valley? There is no consistency in it whatsoever, and I say that the Members of the House ought to take cognizance of the fact, when the conference report comes up for consideration. It ought to be thoroughly considered and these matters should be impressed upon the attention of the Members of the House.

May I refer to one other item? They may contend that the power to be developed in connection with these projects will bring in sufficient revenue to make it self-supporting and self-liquidating. Even if it were true, it could be no justification for spending money to reduce acreage and reduce production on the one hand, out of public funds, and bring more acreage into production out of the same public funds on the other.

I was very much interested in the colloquy of two Senators who were on that committee with respect to the power proposal on the Grand Coulee. The Interior Department had in mind first to build a big dam, to cost \$120,000,000, and then they thought they would build the foundations for a big dam and construct a small dam on top at a cost of \$63,000,000. The big dam would develop two and a half million horsepower, while the little dam would develop 420,000 horsepower. Somebody asked the question whether there would be an immediate market for 420,000 horsepower, and Mr. Walter, of the Reclamation Bureau, said, "Not at this time", or until they could get some kind of industrial development out there, and it might be a long time before they could get sufficient development to use enough power to make this a self-liquidating project.

What is true of the Grand Coulee will be true of some of these other dams, and one of the intriguing things about all this is that we now face the possibility, after having built these huge dams, to impound water in order to make more fertile some of that western soil and to generate power, that the Bonneville Dam power and the Grand Coulee Dam power will be in direct competition; and you are going to have the strange spectacle of a dam built by the War Department being in competition with one that is under the jurisdiction of the Bureau of Reclamation. Thus one day Uncle Sam is going to compete with himself to find customers for a lot of the electric power generated out there, and even the western Senators themselves know it and have intimated as much in the course of the hearings on this bill.

Mr. GOLDEN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. In just a moment.

Finally, they justify this, I suppose, by saying it was put in the Budget. The very first statement in the hearings before the Senate committee recited that portion of the

Budget which made allowance for this \$57,600,000 for this proposition, but I say to you that the Budget is not infallible, and we are not enjoined to follow the Budget just because a few budgeteers had the idea that this \$57,600,000 should be expended. It seems to me altogether silly and inconsistent that we should expend \$57,000,000 to enlarge our tillable domain because a few budgeteers made an allowance for this amount. It will be throwing good money after bad. How much more sensible it would be if we simply canceled off some of this investment for exploratory and investigational work and said, "We have sunk this money out there; we will kiss it goodbye; but we will not throw any additional dollars after it now that we are going to expend \$500,000,000 a year to control production and take cash money crops out of production on perhaps 50,000,000 acres of the finest land in the country.

I now yield to the gentleman from California.

Mr. COLDEN. I would like to ask the gentleman from Illinois if he has forgotten some of the past history of his own State. The Government has established a protective-tariff system by which the industries of Illinois have developed and thrived to which all the States have contributed.

Mr. DIRKSEN. What has that to do with irrigation?

Mr. COLDEN. And in the early history of Illinois the Government gave a great deal of land to encourage the building of railways in Illinois. All of these appropriation bills always contain something for the State of Illinois. We appropriated \$2,000,000 for the World's Fair in Chicago for the benefit of Illinois and other States. Why is there not the same reason for the encouragement of the development of the arid lands of the West? Are we not simply using the money in a different way for the development of the resources of one of our States?

Mr. DIRKSEN. Taking the gentleman's illustration about contributing \$2,000,000 to the Century of Progress in Chicago, if we had taken \$5,000,000 to lure all the people who had gone to Chicago to Montreal, Canada, while the Century of Progress was in operation, you would have a situation on all fours with spending \$500,000,000 to retire 50,000,000 acres of land every year and then spending an additional \$57,000,000 to bring new acreage into cultivation and to lay the foundation for the expenditure of hundreds of millions of dollars to enlarge our agricultural domain. There is the inconsistency in this program.

I have sought on every occasion to cooperate in the development and adoption of a farm program. We all appreciated the necessity for some form of program to bring relief to agriculture at a time when prices were ruinously low. I wonder, however, what Illinois farmers will say when they pause to reflect that while the Government was paying them \$35,000,000 in 1935 for rental and benefit payments, that same Government was abetting the development of new acreage out in the Arizona desert with public funds which may ultimately mean that existing farmers may not be able to cultivate their full acreage of fertile midwestern soil for years to come. To them this \$57,000,000 and the other millions to follow it may look like an insurance policy that there will always be a surplus and a farm problem.

Mr. TABER. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. CULKIN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. CULKIN. The gentleman referred to a \$52,000,000 appropriation in connection with these items which the Senate put in this bill—

Mr. DIRKSEN. Fifty-seven million dollars.

Mr. CULKIN. Does the gentleman know that the completion of these projects will cost the Government an additional \$450,000,000?

Mr. DIRKSEN. I know there is a single project for which \$22,000,000 has been allocated that is going to cost \$170,000,000, and that is only 1 out of 16.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GILCHRIST].

Mr. GILCHRIST. Mr. Chairman, I desire to call the attention of the House to an order of the Post Office Depart-

ment touching an agricultural interest and having some connection with the bill.

For many years, and since the memory of man runneth not to the contrary, creameries and manufacturers and processors of milk, by their haulers, have collected cream and milk from the farmers and have taken it to the creamery or to the processing plant or to the cheese factory, where the milk is weighed and tested for butterfat content; and then tomorrow by the hand of the same hauler a check is delivered to the farmer in payment of the milk or cream which the hauler got yesterday.

Now, the delivery of that check does not cost the Post Office Department one cent. The hauler does not even so much as use the private mail box of the farmer out on the highway. He simply brings the check from the creamery and gives it to the farmer or leaves it at the farmer's home all without any expense to the Postal Department whatsoever, and without using any postal equipment or facilities of any kind or character. Recently and during this past summer a new activity or order has been instituted under an act that was passed in 1934.

This new activity or order has been put out against the delivery of these checks, and provides that delivery must not be made by the ordinary cream hauler any more; and that the creamery or cheese factory must pay 3 cents by way of postage on each check so delivered. This statement must be limited somewhat, as I will describe later. The added expense involved in this new system involves not only the 3 cents for extra postage which must be paid on the delivery of the check but it also involves added expense for extra office help, the cost of additional stationery and of envelopes, and the annoyance attending such a useless administrative detail.

To show you how important that is, I will call attention to a little creamery in my district in a village of only about 800 people. I live only a few miles from there, and they came to me and said that that thing would cost them \$2,100 a year.

If you accept this figure as typical, I am sure that there are in my district 50 or 60 such milk processors, creameries, or cheese factories. If there are 200 districts like that in the United States, then this thing is bringing to the Post Office Department two or three million dollars in money for service of the Postal Department which it does not perform. It is a charge on the farmer, because the processor is sure to take it out of his overhead, and it is reflected back upon the producer. Why penalize, in such an unjust and unwarranted way, the farmer or the producer of milk?

This new tax is reflected back upon him because of an act which Congress passed in 1934 that was designed to give the Postal Department—and properly designed to give the Department—a monopoly of the postal business. In passing, I will explain that the act does not apply to a case where there are less than 25 letters delivered at one time, but this exception is of no benefit to our creameries and cheese factories. It does not apply to them. That bill was passed under unanimous consent on consent day. When it first came up, in May 1934, it was challenged, and someone asked that it be postponed for a week. It came up finally on May 14, 1934, and at that time it was under some suspicion. My good friend the gentleman from New York [Mr. TABER] asked some questions about it, but it was then stated by way of reply that the bill was for the purpose of getting the big fellows, such as the Western Union, who were out delivering letters by bicycle boys, and that the purpose of the bill was to correct that sort of an evil and nothing else. It was so stated on the floor by those in charge of the bill, and there was not the slightest suggestion that the bill could be used or would be used for the purposes to which it has now been applied.

I exonerate these gentlemen from any duplicity whatsoever. They believed what they said. I know they did. I do not charge them with any bad faith. But when it came to putting it into force, we find that the Post Office Department ruled that those checks which I have described are prohibited by that act, and therefore that these creameries or factories must pay for each check 3 cents postage to the Government for a service which the Government does not perform. That adds to the charges which the farmers must

meet. If I take your hat, for instance, from the Democratic rack out here in the cloak room, where they always have good hats, and I wear it away, that is all right, and there is no injustice, or bad faith, or evil conduct if I did it by mistake. But after I find out that I have the wrong hat, then I cannot defend any longer by claiming that it was all a mistake. I am bound to bring your hat back and restore it to you, am I not? I must no longer wear your hat. The same thing is true about this legislation. When it is discovered that it is doing the thing that we were promised it was not intended to do and which its sponsors promised on the floor that it would not do, we ought all to rise up on our hind legs and protest it and repeal it. We ought to demand that somebody restore the hat.

Mr. MILLER. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. Yes.

Mr. MILLER. Are any of the mail facilities of the Government being used in the delivery of those checks in the first instance?

Mr. GILCHRIST. Absolutely not. There is not a thing used by way of mail facilities. The cream hauler brings the check back to the farmer. He does not even use the farmer's rural mail box out in the highway.

Mr. MILLER. Then does this order go to the effect of simply preventing the delivery of a check to a farmer or other person in that manner without requiring the payment of postage?

Mr. GILCHRIST. That is correct. The gentleman's supposition is true. I want now to show what the order has in it. There are some limitations in the order.

Mr. WEARIN. Mr. Chairman, will the gentleman yield?

Mr. GILCHRIST. Yes.

Mr. WEARIN. I recently have had some business with the Post Office Department right along this line, and it is my understanding that if the cream hauler is an employee of the company for whom he is delivering the check by the month, they are not subject to assessment on the part of the Post Office Department. If he is a contractor and hauling for one concern or for more, then they are subject to assessment.

Mr. GILCHRIST. I was going to point out what the order contains. The gentleman is correct in saying that the regulations of the Department contain a provision that if the hauler is an actual employee of the creamery, then he can deliver the check free, but he must be an actual hired employee. But the point here is that the man is scarcely ever an employee of the creamery. He is under some sort of a commission agreement. He is doing it by contract, and, therefore, he does not come within the limitation which the gentleman from Iowa has pointed out. Neither can he be made an employee. He should not be made an employee; and why? Because, first, it is for the advantage of the creamery that the man who hauls the cream or milk should have an interest in getting business; and if he is simply a salaried man who is paid by the month, then he does not have that direct and personal interest to the extent which he otherwise would have. He does not perform the service within the creamery or within sight of any superior officer, and no officer can, or can attempt to, direct his personal behavior or movements. Secondly, if he is an employee, then the creamery must immediately be liable for any damage that the man may do on the highway or elsewhere, and the creamery will have to pay a large-sized premium to some concern for protection against highway accidents. The creamery will be compelled to take out and pay for public liability indemnity contracts to insure against any damage to persons and property that may result from the acts of a man who is never within the personal direction of any superior officer. Thirdly, the creamery will have to pay under our social-security laws another premium or assessment for the purpose of meeting the tax or excise which is put upon employers. Fourth, another proposition is that the creamery will also have to pay workmen's compensation under the laws of the several States upon that man.

But finally let me say that the business is not done that way. It cannot be done that way successfully. The combined

experience of most of these creameries leads them to adopt a policy under which the hauler is not made an employee. He ought not to be made an employee. In the vast majority of cases he is a contractor. That is the way they want to do their business. What difference does it make to the Post Office Department whether the man who delivers these checks is doing it under some kind of a commission contract or whether he is an employee? There is no reason that I can see why in one case we should pay postage upon checks which the Postal Department does not handle and does not even know about and in the other we should not.

There is another limitation or qualification in this postal order. Let me say the recent directions have been sent out since this discussion or agitation began. The most recent statement of the Department was made under date of January 25 this year. This discussion arose before that and my bill was introduced before that. They now say—and probably did formerly—that if the check is an instrument, like a deed or contract, then it can be delivered free, even though it be done by the cream hauler who is not an actual employee. They distinguish between what is a letter or package and what is an instrument. If it is classified as a letter, then it must pay postage; but if it is an instrument then it need not do so. What possible difference can this make? A rose by another name would smell as sweet, would it not? When we get down to brass tacks there is no reason why creameries or milk producers or farmers should be charged postage for delivering a check which the Government does not handle, while at the same time a law firm or big banker is able to deliver instruments or deeds or contracts without being charged in any way.

I am told that there is some legal or scientific distinction under which checks containing any information are not instruments but are letters, because there is embraced within the check some informative material. They say that if the creamery will incorporate this information as to butter content and weight which the farmer must and should have into the body of the check, then the check can be delivered without paying the Government a 3-cent postage rate; but if you put this same information on the perforated edge of a check so that it can be torn off, then it becomes a letter and not an instrument. You must not have it upon any perforated stub so as to permit it to be separated from the body of the check itself. But the trouble with this is that if you incorporate this same information within the body of the check itself then when the farmer cashes the check he loses the information. He loses the record. He wants to keep that information. He wants to know just what his milk or cream record is, and he wants this thing as evidence of what he is accomplishing in the dairy section of his farm and business. Again I ask, What difference can it make to the Government? If the information is put on line 5 or 6 on the check, it is "okey dokey", but if it is put at the side of the check it becomes a wicked violation of the prerogatives of our dear old Uncle Sam. Someone told me that once upon a time in 1846, some 90 years ago, an inferior Federal court promulgated some such a foolish distinction and that there has been no later decision so far as he can ascertain. I do not care whether there are later precedents or not. In any event it is a foolish and unwarranted distinction. The lawyer who exhumed this buried precedent from the skeletal debris of ancient technical legal opinion is no doubt entitled to credit for his patience and his diligence and his profound legal discernment. How lawyers do love to discover a venerable and hoary precedent, especially if it be one which has neither sense nor rhyme nor reason.

The present bill has been before the committee, and I have been told that a hearing will be given. I think the gentlemen are acting in good faith in making that statement, and I believe we will have a hearing in this matter very soon. It has been stated, however, that the committee is now waiting for a report from the Postal Department. The bill was introduced on the 25th of January, and up to this time there has been no such report. At least there was not when I last inquired about it. I think everyone is acting in good faith. I again insist that I impute no

wrong to any man or to any department. Let this be distinctly understood. But why should farmers have to pay the Government for a service which the Government does not perform? That is the kernel in the nut. Certainly there is no excuse for it, especially when we know that the act of May 1934 was passed under the circumstances I have tried to describe to you.

I therefore call it to the attention of the Members on both sides in the hope that the bill may receive their favor when it comes before this Congress for a vote. I impute no wrong to anybody, not even the Department or the lawyers. But it is time to right a wrong.

The bill as introduced by me relates only to cooperatives, but I can see no reason why its benefits should not be extended to all processors of milk. Of course I do not want the bill to be amended unto its death and thereby be betrayed by a kiss.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GILCHRIST] has expired.

Mr. BLANTON. Mr. Chairman, I yield 20 minutes to my colleague from Texas [Mr. MAVERICK].

Mr. MAVERICK. Mr. Chairman, I reaffirm and reassert that the military-disaffection bill and the Kramer bill are a direct danger to the freedom of the press and speech of this country, and should be defeated. The consideration of this character of legislation is generally connected with emotional hysteria, and I hope that we will stick to the subject as much as possible when we discuss it. We hear every subject under the sun when we talk about this, including appeals to patriotism and the emotions.

We hear, also, a great deal in Congress about Communists, and we hear a lot from the Republicans about the Democrats being Communists. Our inhibitions on the Democratic side are such that we are called Communists so much that we must talk about somebody, so we talk of Russian communism. The Republicans do not worry to talk about Russian communism; they take their inhibitions out on us Democrats.

Speaking seriously, I notice the Republicans have not gotten into this great jamboree on communism, this great battle against imaginary Red windmills. This kind of warfare is safe, for neither physical nor mental courage is needed, and all you need is lots of wind and good lungs. Of course, everybody is opposed to communism. But I think we Democrats could do a lot better, rather than having personal controversies among ourselves all the time, by devoting ourselves to the real economic questions before the country. I do not mean to say that we Democrats have less sense than the Republicans, but the Republicans do have sense enough not to enter into these usual combats of Democrats against Democrats, and beating the bushes for Reds for having nothing else to do.

SAN ANTONIO HAS MEXICANS—AND THE ALAMO, CRADLE OF TEXAS LIBERTY

I am going to talk about the Tydings-McCormack military-disaffection bill and the Kramer bill.

Mr. BLANTON. Will the gentleman yield for a question just before he goes into that?

Mr. MAVERICK. Just one question.

Mr. BLANTON. Would my colleague mind telling us how many Mexicans he has in the city of San Antonio?

Mr. MAVERICK. I should like to say that I realize—

Mr. BLANTON. Ninety thousand.

Mr. MAVERICK. Now you gave me this time and you be quiet. I am going to answer that question. You gave me this time. Let me have it. I realize that the gentleman is going into the very thing I am talking about. He is trying to personally embarrass me. I want to tell you I have 90,000 Mexicans in my district and they are just as good as you are. [Laughter.] They are decent American citizens. I do not consider that to be relevant to what I am talking about. I do not consider it fair in any way whatsoever. Now I am not going to yield any further, Mr. Chairman.

Mr. BLANTON. My colleague knows that I am very friendly with the officials of the Republic of Mexico, and from this floor I have defended it from many assaults.

Mr. MAVERICK. I am willing to admit this; but I must let it be known that the Americans of Mexican extraction

who live in my district are Christian people, trying to be good citizens and to educate their children; I commend them to all fair men.

SENATOR TYDINGS AND SECRETARY DERN WITHDRAW SUPPORT OF MILITARY-DISAFFECTION BILL

But, to continue on the subject, the Tydings-McCormack disaffection bill had the backing of Senator TYDINGS in the first place. He introduced it. But Senator TYDINGS withdrew his support of this bill, and he is not for the bill any further. So there is no chance of this bill passing the Senate even if it does pass the House. Further, the Secretary of War has withdrawn his support of this bill, so the War Department is not behind it. I have talked to not less than 15 or 20 high-ranking officers of the Army and they are not in favor of it. They know it is wrong and none of them wants the legislation.

Now, the point I want to make is this: I am not in favor of giving up democratic processes of government and turning communistic and fascistic to fight communism and fascism. We must maintain our democratic processes, and democratic processes include not only the body of the Constitution but the bill of rights, and that part of it gives liberty of speech and press and protects us against unreasonable searches and seizures.

The gentleman from Massachusetts [Mr. McCORMACK] mentioned the fact that I had introduced a bill concerning discipline at military posts. It is a fact. I did so. It is H. R. 6733. It is an amendment of existing law, not a new law like the military-disaffection bill or the Kramer bill.

The point I wish to stress is that this bill which I introduced concerns military discipline on the posts. I take the position that the Army has the right to take care of the discipline in its posts and that the civilians are a separate part of the population. Each part of the population should attend to its own business.

Section 45, concerning which I introduced a short amendment of the Criminal Code, protects the Military and Naval Establishments. This makes it illegal for undesirable persons to go on military posts and provides penalties. It has been held for years and years that this referred to military, naval, or marine posts; but in order to make sure that all parts of the service are protected I added the word "naval." That is the only real difference between the bill I introduced and the present law; it is to make it clear that it covers all branches of the service.

WHY NEW LAWS WHEN WE HAVE PLENTY NOW?

I think it is well, when we are talking about these laws that we remember what was in the minds of the men who introduced them. The gentleman from Massachusetts [Mr. McCORMACK] said in the hearings on the Kramer bill that all we can do is to rely on 12 men, the jury. He said it in his speech today. I am going to try to show that during the war-time and war hysteria that the misapplication of law by many judges was a great grievance and the juries were also subject to the war hysteria. Then the gentleman from Massachusetts referred to emotional utterances; he spoke of the emotionalism of a depression. On the other hand, he said, in effect, if the circumstances show that there is a cold, deliberate plot, something must be done about it. The point I am trying to make is that, while he makes this distinction in his argument, he does not make them in his bill. If a man makes an emotional utterance there is no necessity for his bill, for, as I understand it, his bill does not contemplate that; but if there is such a thing as a cold-blooded or a hot-blooded plot or any kind of plot whatsoever, or conspiracy to violate the law, it is covered by the law already existing at this time. (See below I, Laws in Effect Now.)

I refer also to the testimony of the gentleman from New York [Mr. DICKSTEIN] given at the same hearing on the Kramer bill. He gave his reasons for wanting the law passed. He said the Communists said they did not want Dickstein to make the laws. They wanted to be the Government. He said they had a school where 2,500 students received instruction, and so on. Then Mr. DICKSTEIN said, "The Communists parade up and down the street with a brass band and a red flag." He said also that they go further—

they even sell pamphlets, they even sell little books. Oh, my! And one of his other reasons was that if you did not buy these books they would give them to you.

SHALL A CARTOON OF THE PRESIDENT OVERTHROW THE GOVERNMENT OF THE UNITED STATES?

Then the gentleman from California [Mr. KRAMER], in his testimony for his bill, said:

Here is one of the documents which is put out by them. It is supposed to be the President of the United States with the most vicious type of propaganda.

Here is what I said in reply:

That is a pretty good cartoon of the President; that is not obscene, but it is funny.

Do you think a man should be sent to the penitentiary for drawing a funny picture of the President? Mr. Roosevelt is a broad-minded man. I think he would enjoy it.

Then Mr. KRAMER said:

You do not find the legitimate press with a cartoon of that type. They do not use that kind of propaganda to go out and teach the overthrow of the Government of the United States.

Note that the gentleman from California said that that was not a legitimate use of a cartoon; that it was used in propaganda teaching the overthrow of the Government. A cartoon of the President to overthrow the Government! Imagine that! This indicates, of course, how far they intend to go with this type of legislation. Draw a funny picture, and go to prison for it! Is not that a little Hitleresque?

Mr. Chairman, it was a swell cartoon; it looked just like the President. I see no reason to lose sleep over it.

Mr. KRAMER. Mr. Chairman, will the gentleman yield?

Mr. MAVERICK. Yes.

Mr. KRAMER. Will the gentleman explain what the cartoon said down below it? The gentleman said it was a fine picture of the President. I am surprised that the gentleman would stand on the floor here as a Democrat, as a supporter of this administration and take that attitude toward our President.

Mr. MAVERICK. Do not talk nonsense, Mr. KRAMER.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield there?

Mr. MAVERICK. Yes; I yield.

Mr. MARCANTONIO. As a matter of fact, the attitude of the gentleman and some other gentlemen who are advocating this legislation is one of competing with Mr. Hearst on the question of communism.

[Several Members rose.]

Mr. BANKHEAD. Mr. Chairman, I rise to a point of order. It is an absolute violation of the rules of the House governing debate to have remarks interjected without the consent of the gentleman who holds the floor. It certainly does not contribute anything to the dignity of the proceedings of the Committee or the clarification of issues, and I hope gentlemen will observe the rule.

Mr. MARCANTONIO. But the gentleman from Texas had yielded to me.

Mr. O'CONNOR. Mr. Chairman, supplementing what the distinguished majority leader has said, there is a bad practice in this House of the stenographer taking down words which are said not under the rules of the House. The Chair should instruct the stenographer not to take down the words used by the gentleman from California in answer to my colleague from New York.

The CHAIRMAN. Under the rule the gentleman holding the floor has the privilege of striking from his remarks such words.

Mr. BLANTON. Mr. Chairman, answering the gentleman from Alabama on the point of order, the stenographers have to take down everything that is said. They cannot discriminate.

The CHAIRMAN. The gentleman from Texas will proceed.

Mr. MAVERICK. I yield to the gentleman from New York.

Mr. MARCANTONIO. Many of the people who are supporting this type of legislation are in complete concurrence with Mr. Hearst on the question of communism. I now ask

the gentleman if these same people concur with Mr. Hearst when he characterizes the administration of the President of the United States as communistic?

Mr. MAVERICK. Does the gentleman from California want to answer that?

Mr. KRAMER. No; I will let the gentleman from Texas answer that. He has been schooled with the gentleman from New York.

Mr. MAVERICK. Just answer yes or no, or obey the rule and sit down.

Mr. KRAMER. I will obey the rule.

Mr. MAVERICK. Well, then, I will now answer the proposition mentioned by the gentleman from California, who appears to think I ought to be ashamed because there appears a cartoon of the President of the United States, and that I thought it was good. I should imagine the President himself would enjoy it. Putting people in prison for cartoons! That is where blind Democrats go. If we have a blind obedience to the President of the United States and we get to the point that we are so thin skinned we cannot permit the drawing of a cartoon of the President of the United States but upon pain of 10 years in a Federal jail, the Republicans will very rightfully make fools out of us. That is my answer to that question. [Applause.] Why be tin-horn Fascists when we can be free-born American Democrats?

ANCESTORS—AMONG THEM JEFFERSON, WHO DID NOT LIKE SEDITION LAWS

Our forefathers are mentioned quite frequently around here. In fact, Jefferson called that "beating the living with the bones of the dead"; and it is getting to be a practice. The worse thing about our ancestors is that most of them are being misinterpreted. So I am going to read to you what Thomas Jefferson actually said about the subject of sedition and sedition laws. He stated in reference to a certain case:

I found a prosecution going on against Duane for an offense against the Senate founded on the Sedition Act. I affirm that act to be no law, because in opposition to the Constitution; and I shall treat it as a nullity, wherever it comes in the way of my function.

In other words, the President of the United States said he would not obey the law because it was against the Constitution. He stated further:

The ground on which I acted in the cases of Duane, Callender, and others (was) that the sedition law was unconstitutional and null, and that my obligation to execute what was law, involved that of not suffering rights secured by valid laws to be prostrated by what was no law.

Mr. Chairman, my personal opinion is that these laws—the military disaffection and Kramer bills—concerning the violation of freedom of speech and press are absolutely unconstitutional. If they are not unconstitutional there will be unconstitutional methods used in connection with their execution. They are, in my opinion, likely to cause a train of abuses in violation of the spirit of the Constitution, if not directly. The execution of such laws will certainly be in violation of the spirit of democracy.

OVERT ACT AND ADVOCACY; ONCE AGAIN EXPLAINED

A lot of talk has been indulged in with reference to overt acts and advocacy. There is not a law on the statute books today that gives the country the power to prohibit the mere advocacy of the violation of the law. For instance, take during the prohibition era. Everyone knows millions advocated freely that the Prohibition Act should be violated and many millions of people did violate the act. To use a very cruel and bitter language, we may advocate murder and assassination. I do not approve, of course, the advocacy of those things, but people can advocate what they please when it is not accompanied by an overt act. You have heard it said many times, "There should be a revolution." Should we get all in a dither about it and pass some suppressive laws?

Now, the reason advocacy is not made a crime is because it is such a vague term. It is often confused with prophesy, with the expression of opinion and with hope. As such an utterance is entirely subjective, the law, which cannot read what is in a man's mind, requires (in order that it be definite and clear that it be accompanied by an overt act before it

will punish the utterer. But, and this point cannot be emphasized too strongly, it does not punish the words, the speech—the advocacy, it punishes the act. If one “advocates” murder, unless some act is done in furtherance of the advocacy, or the people to whom were addressed the remarks do something about it, the utterer is guilty of no crime. But—get this—when the advocacy is such that anyone acts or makes the slightest move to carry out the suggestion, the one who caused it is clearly guilty with them, and responsible for their actions as an accessory. That you may understand the law is fully sufficient in general criminal law now. Even if nothing takes place one may be guilty of a conspiracy to commit a crime. But the existing law on conspiracy is clear—there must be what is construed as an overt act in furtherance of the conspiracy.

It is therefore established that the law in its wisdom, and in preservation of fundamental rights that we all recognize, will refuse to punish anyone for what is in his mind, or for what he thinks, as atrocious as it may be, unless it has clear and convincing evidence, beyond a reasonable doubt, that an act has taken place which will endanger the community. Any other course would be the first step toward a tyrannical supervision of our innermost thoughts, giving the oppressive agent or government the right to make such conclusion as they please.

In order to persecute us I would suggest my colleagues make a study of “Nazi Justice”, which is an abandonment of established rules of evidence and fair play, where the defendant is prosecuted on a basis of what really the prosecutor cares to interpret into the defendant's mind, who is by circumstances presumed to be guilty. Let us stick to the American ideal of well-ordered justice, established rules of evidence, and fair play. And let us not go in for mind reading and fortune telling for the purpose of sending people to prison. Nothing is more repugnant to our American sense of liberty than jailing someone for what may be in their mind.

Mr. Chairman, if we concern ourselves with loose talk, advocacy, and all kinds of things like that, we are going to get ourselves off the track altogether. We will stop making laws and become a menace to the country. We must know that actual crime consists in a conspiracy to commit a crime, an attempt to commit a crime, or the commission of the crime itself. This is followed by accessory before the fact and accessory after the fact. It has nothing to do with mere advocacy.

READING OF DECLARATION OF INDEPENDENCE WILL BE A FELONY UNDER KRAMER ACT

I want to point out that under the Kramer Act, when you get right down to it, it would be a violation of the law to read the Declaration of Independence of the United States because it says, for instance, “whenever any form of government becomes destructive of these ends it is the right of the people to alter or to abolish it and to institute a new government.” That is similar, but couched in different words, to words, offensive to me and offensive to you, used by Mr. Gitlow, who has been mentioned today, “that it is necessary to destroy the parliamentary state and construct a new state of the organized producers, which will deprive the bourgeoisie of political power and function as a revolutionary dictatorship of the proletariat.”

That sounds terrible; at least it is a quiz-quiz of Marxian nonsense no American understands. Of course, I really do not understand what it means, and I do not think anybody in the House does either, although you are intelligent men. But he does say “we must destroy the parliamentary state.” That is this Communist stated.

SHALL WE DESTROY PARLIAMENTARY GOVERNMENT TO PRESERVE IT?

But, I say, should we first destroy parliamentary government—and freedom of speech, which is included—in order to protect it? Why, certainly not. We went to war to end wars. We did not end wars. We went to war to save the world for democracy, and we have not very much democracy left throughout the world today.

Mr. Chairman, I want to maintain our democratic institutions.

Mr. McCORMACK. Will the gentleman yield?

Mr. MAVERICK. I gladly yield to my friend, the gentleman from Massachusetts.

Mr. McCORMACK. I want to get the gentleman's viewpoint, and I respect it. Do I understand the gentleman believes freedom of speech gives me the right to lie about a person if I care to do so?

Mr. MAVERICK. Yes.

Mr. McCORMACK. That I can advocate violence—

Mr. MAVERICK. The Liberty League lies about the Democratic Party all the time, and I am in favor of that.

Mr. McCORMACK. I am asking a basic question. In other words, the gentleman believes I can go outside of his house and incite a crowd to burn his house?

Mr. MAVERICK. No. I do not say that.

Mr. McCORMACK. If I make the statement, “MAVERICK's house should be burned. I am not saying you should burn it, but it should be burned”, and somebody goes there and burns it, the gentleman thinks that is all right?

Mr. MAVERICK. The gentleman could advocate the burning of a house.

Mr. McCORMACK. What is the difference, so far as it being a crime is concerned, between advocating the burning of the gentleman's house, or for somebody who has not the least love for our Government advocating the destruction of our form of government?

Mr. MAVERICK. That is exactly the point I have been trying to make. There is not any difference. As I have shown before, there is no question that it is perfectly legal for anyone to merely advocate that houses should be burned. Of course, should you raise a ruckus in front of my house, you would be arrested for disturbing the peace. But to go on with the burning—the advocacy becomes illegal when as a result there is some move or act started to burn the house. If you merely make a speech and nothing is done, you would violate no law, unless it be you are jailed for the noise of your voice or disorderly conduct.

It seems to me that the same principle of law should apply, and does apply today, with respect to the advocacy of the overthrow of the Government by force and violence. Apart from the fact that nobody does advocate any such thing, under our guaranty of freedom of speech one has a right to advocate the forceful overthrow of the Government. If anyone does anything about it, starts collecting guns or ammunition, or takes any step, however slight and be it ever so removed from the ultimate object, even establishes headquarters, an overt act will have taken place and would be punished under laws on our statute books in existence for generations. Every conceivable danger to our Government is well covered now.

I want to read what Thomas Jefferson said, because it is more important than anything I have to say anyway.

SEDITIONOUS TALK (?) BY GREAT PRESIDENTS

Here is what Thomas Jefferson said:

I like a little rebellion now and then. The spirit of resistance to government is so valuable on certain occasions I wish it to be always kept alive. It will often be exercised when wrong, but better so than not to be exercised at all.

The greatest Democrat of them all said this.

Abraham Lincoln said:

This country, with its institutions, belongs to the people who inhabit it. And whenever they shall grow weary of the existing government they can exercise their constitutional right of amending or their revolutionary right to dismember or overthrow it.

It was a Republican who said this.

Now, beyond any question of doubt, if any man should rise on the Republican side and quote his President, Mr. Lincoln, or if anyone on our side should quote Thomas Jefferson, we would both go to jail in a body if we said it anywhere except on the floor of the House. That is, any American would be sent to the penitentiary for quoting two great Presidents.

MANY WORDS IS A COAT OF MANY COLORS TO MAKE THE PUNISHMENT FIT THE “CRIME”

Now, I am going to read to you what this law provides. It says, “Advises, counsels, urges, or solicits a man to disobey.” I looked these words up in the dictionary.

Advise is to view; observe; hence, to bring into view; consider, ponder, devise. To give advice to.

In other words, if you were to give advice to a man that might lead him to disobey a law or should you make an "observation leading to", you would run afoul of this law. The slightest intimation or suggestion could easily put you behind the bars; you could be interpreted straight into jail.

Counsel is to give advice to; to advise; admonish or instruct, as a person. To advise or recommend, as an act or course.

Urge is to press the mind or will of; to ply with motives, arguments, persuasion, or importunity. To present in an earnest or pressing manner; to press upon attention; to insist upon.

Solicit is to ask earnestly; to make petition to; to apply to for something. To endeavor to obtain by asking or pleading; to plead for. To urge the claims of; to advocate; plead; to act as solicitor for or with reference to.

For instance, the definition says, "ask earnestly"; and if you were being shot down by a National Guards man, if you were to ask him earnestly not to murder you, you could be sent to the penitentiary if he did not murder you first. Read the language of that bill and the various shades of the words I have just given you. There would be dozens of ways and dozens of combinations of ways for you to violate the law in the light of those words.

NATIONAL GUARD INCLUDED IN MILITARY DISAFFECTION ACT

I now want to make this further statement, since it comes to my mind at this time: The National Guard is included in this act because the National Guard is a part of the United States Army. There is no mention in the Constitution of the United States of the National Guard. There is not any such thing as a national guard under the Constitution of the United States. National guard is a statutory expression, and the National Guard is controlled by the Government of the United States, and therefore the National Guard is included in the Army.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MAVERICK. Yes.

Mr. McCORMACK. If it is included, certainly I have made every effort to exclude it; and if the bill ever comes up and I have my opinion about whether it will come up or not, I would do everything I could to see that the bill is so limited.

Mr. MAVERICK. I will say to the gentleman I do not think the National Guard can be excluded, because by all the statutes and precedents it is a part of the Army of the United States. (See below II, National Guard.)

MAINTAIN MILITARY DISCIPLINE, BUT LET CIVIL GOVERNMENT ALWAYS BE SUPREME

Now, I want to make this further point:

The second section of the military disaffection bill concerns searches and seizures of the civilian population, and it cites the provisions of the Sedition Act of the World War. The search-and-seizure portion cited in the Military Disaffection Act says:

An act to punish acts of interference with foreign relations, neutrality, and to foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes.

I wanted to make this plain, so we would understand the wide implications of this law as it concerns every strata of our life. I do not care what the Army does about its discipline. They have the Court Martial Manual and the Navy has the Navy Manual, and they can maintain discipline and they always have, except during the Civil War, when my ancestors and the ancestors of a large portion of my friends from the South did not like the Union very well for 4 years; but with the exception of that time the Army and the Navy have conducted the Army and the Navy in a disciplined manner, indicating they are capable of continuing to do so.

It is proper for the United States Army to have strong powers of military discipline with their own Court Martial Manual and with laws such as are already enacted to maintain discipline within the military forces, but it is highly improper to, in effect, grant additional powers over the

civilian population. As I said, the second section of the bill concerns searches and seizures of the civilian population, and all that printing and publishing, and all that consulting and urging and advising that you read about is against the civilian population and not against the military. I have stated many times, and do not care to take your time in long examples, that the officers of the Army and Navy are capable of maintaining discipline and can do almost anything with the laws they have; the enlisted men are patriotic, and they do not need this new suppressive law. To enact this law merely raises the possibility of military power over the civilian population. You say that it is not likely to happen here, and yet, if we look at the history of the break-down of certain countries and the break-down of what democratic processes they had, it was gradual. I hope, then, that we will always keep our military separate from our civilian life; that civil government will always be supreme, and, at the same time, we will have the proper respect for the Army and permit them to maintain their discipline without giving them unnecessary power over the civil government.

MEXICANS AGAIN, THOUGH THEY HAVE NOTHING TO DO WITH THE SUBJECT

Mr. BLANTON. Would my colleague yield for two short questions if I yielded him some time?

Mr. MAVERICK. No; that is too hard a bargain. I am not going to be embarrassed.

Mr. BLANTON. I will do it, anyway.

Mr. Chairman, I yield my colleague 5 additional minutes.

Mr. MAVERICK. Then I yield. [Laughter and applause.]

Mr. BLANTON. I want to ask my colleague, in all fairness, because he is fair, if it is not a fact that every time any Member here has tried to interfere with the orderly procedure of the Mexican Government I have always risen in my place here and defended the Mexican Government in having the right to conduct its government like it pleases?

Mr. MAVERICK. Yes.

Mr. BLANTON. The other question is this: Is it not a fact that there is communism in Mexico, and they have the right to allow it there if they want to, and that the Mexicans in San Antonio believe just as the Mexicans in Mexico believe?

Mr. MAVERICK. No, sir; no, sir. I want to tell you the reason I resented your asking me questions first. It was because the question was unfair and because you wanted to embarrass me and a substantial portion of the people of my district. I want to say this about the Mexicans, or Americans of Mexican extraction, in my district. The Mexicans in my district are like the people who live in any other part of the United States. They are like the people who live in New York or Philadelphia or anywhere else. They may be poverty-stricken; they may be poor; but they do their best. I have the same prejudices as any Texan about Mexicans, because, of course, my grandfather signed the declaration of independence of Texas and we ran the Mexicans under Santa Ana out, but I prefer to live peacefully with my fellow man, irrespective of race or religion, and I want to tell you that the Mexicans in my district are better founded in many respects than some of the American people, because they study the Constitution, they go to school and try to improve themselves, and because they love it and they appreciate living in a free country. They worship God like you and I. This is my answer to that question.

LEGAL EFFECT UNDER CONDITIONS OF HYSTERIA DESCRIBED

Now, let me get back to the question. Under the Espionage Act we remember that they put Eugene Debs in jail for 10 years. The result was that after they put him in jail we had a Republican President, and Debs was pardoned by that Republican President. That shows all the good it does when you pass this kind of a law.

We know that at that time there was sweeping over the country all kinds of war hysteria. There were several thousands of cases of that kind and hundreds of convictions, but they were all or most of them pardoned. It did not do any good.

Now get this specific fact, in order that we may understand the present type of legislation, so that we can make

a correct and accurate analogy. The Wartime Espionage Act was directly designed to affect the inciting of the armed forces to disaffection. We are told by the proponents of the present bill that there will be certain safeguards, but I must call attention to the fact that the Espionage Act as a criminal statute exhibited the very first thing that the courts themselves were swept away by wartime hysteria—the same hysteria that led to the enactment of such legislation and that cast aside common-law principles and laid down as a test of guilt under the act that words to be criminal needed only to have had a bare tendency to cause unrest. I say this in the light of the present law and the many different shades of meaning of all the words I gave in the first part of my talk. But returning to the Espionage Act, the intention of the utterer, the crucial test of an utterance in common law, became a mere form, since it was inferred from any indirect injurious effect which the court—that the judge and the jury—that the 12 men might read into the words so uttered. In this case, after all the words with shades of meaning I have mentioned, and after further use of the word “intent” in the statute, and the further use of the words to incite disaffection, and “publishes or distributes any book, pamphlet, paper, print, article, letter, or other writing”, there can, by a combination of words and usages and the different processes which are here mentioned, be an interpretation into almost anything.

EXAMPLES OF HOW EASY IT IS TO GET IN PRISON

In the case of United States against Stokes, Rose Pastor Stokes was sentenced to 10 years in the Federal penitentiary for saying, “I am for the people and the Government is for the profiteer.” Many of us have said worse than that.

Here is what you would do, under the law proposed, to a Republican if he said the President is for communistic principles and putting us into bankruptcy. He (Mr. MAVERICK pointed to a Republican) would get 10 years for saying that. [Laughter.]

A minister in Vermont, G. H. Waldron, was given 15 years for distributing pamphlets containing such seditious matters as “better a thousand times to die a Christian than to kill his fellow.”

D. T. Blodgett, in Iowa, was given 20 years for circulating a pamphlet urging the voters of Iowa not to reelect the Congressman who voted for conscription and reprinting an argument of Thomas E. Watson—I believe he was from Georgia—which originally appeared in the CONGRESSIONAL RECORD. Anyhow, it was an opinion concerning the constitutionality of the Draft Act.

In other words, in this case a man was sentenced to the penitentiary for quoting the CONGRESSIONAL RECORD. Just think of that! On general principles the court may have been right in putting a man in jail for reading the CONGRESSIONAL RECORD. [Laughter.] But it is not a good thing. After all, let us realize the serious consequences of such legislation.

In Minnesota, under the Minnesota Espionage Act, similar to the Federal statute, it was held a crime to discourage women from knitting by the remark, “No soldier ever sees these socks” (*State v. Freerks*, 140 Minn. 349). (See below III, More Easy Ways to Get in Prison.)

LET US KEEP COOL, AND DO NOT MAKE MARTYRS

There are hundreds of these cases, but the most celebrated one I have already mentioned, that of Eugene V. Debs, Socialist leader. He was convicted for making a speech to a convention of Socialists in Canton, Ohio. His language was in no way designed for soldiers, nor did he in any way urge disobedience to laws, nor did he urge his hearers to resist the Draft Act, objectionable as he considered it. At his trial he said:

I abhor war. I would oppose the war if I stood alone. When I think of a cold glittering steel bayonet being plunged in the white quivering flesh of a human being, I recoil with horror.

I have told you the rest, and you know it, anyway. He went to the Federal penitentiary and was let out by President Harding because of the demand of the public. People got excited and put others in jail; when they cooled

down, they wanted these others, who had become “martyrs”, out. So do not let us get “hot” in the first place; let us keep cool, and do not make any martyrs; let us preserve the democratic processes.

Let me again state a specific objection to the military disaffection bill. It concerns civilians more than it does the soldiers or sailors, for the Army already has enough laws. The point is that under wartime prosecutions not a single direct attempt to incite disaffection was ever proved; and with all the rigamarole and quiz-quo of words that I have just given, the effect of the present laws might very likely be worse. Under the sedition acts of the war, the intent of the utterer was never considered; the only criterion was whether the court and jury believed that the words uttered had a tendency which might cause unrest.

LET US ATTACK THE REAL PROBLEMS

I want to make a final appeal. It is my honest opinion that the American people are tired of hearing about communism. What they want to know is what we are going to do with about 12,000,000 unemployed, and when you take the women and children there are about 30,000,000 unemployed citizens. What are a few Communists—they say there are 30,000 in America—going to do to our American people? Could we not better spend our time considering the problems of the 30,000,000?

When a Communist gets up to talk, you cannot even tell what he is talking about. I go around to these open forums, and somebody gets up and says, “Do you not believe that we will never have a country until we have a dictatorship of the proletariat?” How in God’s name could a man—with only one idea anyway—ever have any influence in this country? I tell you that it is wrong for us to get up here and try to break down democratic processes in order to defeat the Communists. They say that over in Russia if you say anything out of the way they put you in jail. Shall we follow the Communists and be like them in order to prove that we are not? Certainly not.

So I beg of you gentlemen, let us forget about these things; and I hope the gentlemen who favor these bills will not be offended by what I have said and come back and have more and more speeches so we can save our faces. Let us cut this stuff out and get down to legislation. [Applause.]

Mr. KELLER. Does the gentleman really believe that this House is going to consider either one of those bills?

Mr. MAVERICK. I hope not; I do not think so.

I

CONCERNING THE ADEQUACY OF LAWS NOW IN EFFECT; NO MORE NECESSARY

Mr. Chairman, I have been asked the question by people who really want to know if there is any legal necessity for this law. I shall give a list of a few of the laws concerning this matter, but first I shall state that there is absolutely no necessity for this law, because the Army and the Navy have their Court Martial Manuals, and the powers contained are absolute and almost unlimited. The Court Martial Manual and strictly military law have always been sufficient to maintain good discipline except, as I stated, during the Civil War; and no law similar to this would have stopped that war. Russia, you know, had millions of troops with every law imaginable preventing military disaffection; so did Germany; but both armies revolted, and none of their military disaffection bills did any good. I am not here concerned with the world; I make the positive statement that existing laws adequately punish disaffection, mutiny, or disobedience in the Army or Navy or conspiracies among civilians to incite disobedience.

Another objection to these sedition laws is that they give, in my opinion, unreasonable rights of search and seizure and powers over the civilian population not intended in the Constitution, not necessary, wholly undesirable, and found to be undesirable historically in this country through the Alien and Sedition Acts and the laws during the World War. I further make the positive statement that if laws already in effect are utilized and adequately enforced it is utterly inconceivable how any attempts on the loyalty of the Army and Navy can go unpunished.

Here are some of the laws: Title 18, Sixth United States Code (Criminal Code), provides:

Seditious conspiracy: If two or more persons in any State or Territory, or in any place subject to the jurisdiction of the United States, conspire to overthrow, put down, or to destroy by force the Government of the United States, or to levy war against them, or to oppose by force the authority thereof, or by force to prevent, hinder, or delay the execution of any law of the United States, or by force to seize, take, or possess any property of the United States contrary to the authority thereof, they shall each be fined not more than \$5,000, or imprisoned not more than 6 years, or both (R. S., sec. 5336; Mar. 4, 1909, ch. 321, sec. 6, 35 Stat. 1089).

This statute was successfully invoked in *Wells v. United States* (257 Fed. 605) to punish four persons for having conspired by force to prevent, hinder, or delay the execution of certain Federal statutes—the declaration of war against Germany and others. The case arose before the Espionage Act became effective. Section 6 was used to punish defendants who had collaborated in the preparation and distribution of a certain anticensorship circular urging forcible resistance to conscription.

The court said:

It was not necessary to show that force was actually employed, but only that there was a conspiracy entered into that contemplated the employment of force as a means to the accomplishment of a common purpose to oppose the execution of a law of the United States or the authority of the Government to prosecute the war (614).

So much for the law making it punishable for two or more to conspire to urge forcible resistance to law. It was and is equally punishable for a single individual to incite to forcible resistance to law. Thus section 4 of title 18, United States Code (Criminal Code, sec. 4), provides as follows:

Inciting rebellion or insurrection: Whoever incites, sets on foot, assists, or engages in any rebellion or insurrection against the authority of the United States or the laws thereof, or gives aid or comfort thereto, shall be imprisoned not more than 10 years or fined not more than \$10,000, or both; and shall, moreover, be incapable of holding any office under the United States (R. S. sec. 5334; Mar. 4, 1909, c. 321, sec. 4, 35 Stat. 1088).

Two further provisions of the Criminal Code were successfully relied on by the Government in securing the conviction of Emma Goldman (*Goldman v. U. S.*, 245 U. S. 474, 1917). These were sections 37 and 332 of the then Criminal Code, now, respectively, sections 88 and 550 of title 18. The statutes were designed to punish bare conspiracies to commit any offense against the United States.

Emma Goldman was held guilty of violating these laws by conspiring to induce persons subject to the draft act to refuse to register. Under section 37 the doing of overt acts in furtherance of the conspiracy was held to be unlawful "irrespective of whether the result of the conspiracy has been to accomplish its illegal end" (p. 477).

The additional statutory safeguards are:

Section 94, title 18, punishing enticing desertion from the Army and Navy.

34 U. S. C. A., section 1200, permitting infliction of court-martial penalty on Navy men found guilty of uttering seditious words.

10 U. S. C. A., section 1538, providing the death penalty for mutiny or joining in a seditious uprising for any person subject to military law.

18 U. S. C. A., section 483, punishing incitement to mutiny on the high seas.

18 U. S. C. A., section 484, punishing the actual mutiny.

Under these provisions of the law, together with the treason provisions of the Constitution (sec. 3, art. III) what serious interference with military authority cannot be dealt with? All such situations can easily be handled under present laws.

In addition to all these various laws are numerous statutes that would appear to cover the problem. Mailing of matter of this nature to the members of the Army or Navy would be covered by title 18, sections 343, 344, and 345 of the United States Code. Also, reference is made to section 44 (U. S. C., title 18, sec. 96); punishing anyone who trespasses upon or interferes with any fortification, harbor defense, and so forth, or who shall willfully—

Violate any duly authorized and promulgated order or regulation of the President governing persons or vessels within the limits of defensive sea areas, which defensive sea areas are hereby authorized to be established by order of the President from time to time as may be necessary in his discretion for purposes of national defense.

Also, section 45 (U. S. C., T. 18, S. 97), gives sweeping power to the military authorities to punish anyone who may be found upon any military reservation, and so forth, "for any purpose prohibited by military law or regulation." This gives complete authority to the military over all areas of their own, and the Navy is given the additional power heretofore recited in which the President may set up any defensive areas desired, with such regulations as he believes necessary.

II

The National Guard is a part of the Army and will come under terms of military-disaffection bill.

THE NATIONAL GUARD IS A PART OF THE ARMY AND WILL COME UNDER TERMS OF MILITARY DISAFFECTION BILL

Concerning the National Guard's being a part of the United States Army, I stated in the main body of my debate that there is nothing in the Constitution that mentions the National Guard, and that name is merely an adopted name and merely forms a part of the military forces of the United States, or the Army, and is a part of the armed forces of the Nation.

In fact, there are numerous decisions to the effect that the National Guard is a reserve component of the Army; annual appropriations are made by the Federal Government; property and disbursing officers are deemed officers of the Federal Government.

Moreover, the National Guard Act of 1933, recently amended to permit the President to transfer the commissioned personnel of the guard from any State to another at his pleasure, clearly makes the organization an actual part of the United States Army and, in conjunction with the powers granted in this bill, would place such Federal use of the National Guard above public criticism. The discipline and training of the National Guard must conform to the United States Army—without any doubt, the National Guard is a part of the Army, and the decisions are not carried herewith for the sake of brevity. It is believed also likely that the Coast Guard service and the Marine Corps will be considered a part of the Navy. I believe this will not be doubted.

In other words, although the Military Affairs Committee has eliminated certain words in the original bill, there has been no change in meaning whatsoever. It has been stated that these changes were made on behalf of labor organizations, since they did not wish the National Guard used in strikes. However, the statute is still an outright threat to organized labor as written, because the guard is a part of the Army.

There is no question that for organizational and functional set-up the National Guard is a part of the United States Army and is primarily subject in all cases to requisitioning by the Federal Government. I make these statements because wide opposition originally developed against the bill concerning the possibility of using the National Guard in strikes, where they could use this statute in an oppressive way to intimidate and to punish the civilian population, its newspapers, labor organizations, and in all manner possible, and I am glad to admit that the author of the bill omitted the words "National Guard" so that the National Guard would not be included. However, I think you will believe, from what information I have given you and from any study you might make on the subject, that it will be impossible to eliminate the National Guard from the terms of the statute.

III

MORE EASY WAYS TO GET IN PRISON

In the case of United States against "The Spirit of '76" the producer of a moving picture called "The Spirit of '76" received a 10-year sentence and was fined \$5,000 because the film portrayed the Wyoming massacre. It was not alleged that the objectionable scenes were false, nor was it shown at the trial that any soldiers or sailors were in the audience

that saw the picture, but the conviction was justified on the ground that the film was "calculated reasonably so to incite or inflame the passions of our people, or some of them, that they will be deterred from giving the full measure of sympathy, assistance, or sacrifice that is due to Great Britain as an ally of ours" and "to make us a little bit slack in our loyalty to Great Britain in this great catastrophe." The judge said that—

History is history and fact is fact, but the occasion was not suited to historical truthfulness since the picture might have the effect of sowing dissension among our people and create animosity or want of confidence toward us and our allies.

United States against Price was a prosecution under a section infrequently used under the Espionage Act which punished false statements. The defendants were convicted for circulating a Socialist pamphlet denouncing the war and pointing to socialism as a remedy. The prosecution made much of the statement, which was as follows:

Our entry into it (the war) was determined by the certainty that if the Allies did not win, J. P. Morgan's loan to the Allies will be repudiated and those American investors who bought on his promises would be hooked.

Would the results have been the same had the defendants had at their disposal the testimony elicited from Mr. Morgan during the recent Senate investigation? The point is that with these gag bills the application would be made in peace time. The vaguest criticisms would constitute violation of these laws.

Not only were legal principles disturbed to obtain prosecution, but the judges themselves, carried away by the hysteria, did not stop at splitting legal hairs, or, from time to time, keep up the pretense of maintaining an even judicial temperament. It was not uncommon for them to indulge in such bursts of passion, as did Judge Aldrich, of New Hampshire, in his charge to the jury in the case of United States against Tanbert:

Out West they are hanging men for saying such things as this man is accused of saying. They are feeling outraged by such expression to such an extent that they are taking the law into their own hands. Now, this is a very bad thing to do. We don't want that in New Hampshire, but we do want a courageous enforcement of the law. (Bulletin, Department of Justice, 108.)

But it was not the judge who served 3 years in the penitentiary for inciting to disaffection; it was the defendant who was, need it be added, convicted under the Espionage Act for obstructing the sale of Liberty bonds by saying:

This is a Morgan war, and not a war of the people.

The theory of the prosecution, if they needed one, with such a charge to the jury, was that despite the fact that there was nothing in the Espionage Act that mentioned Liberty bonds, the Army could not be raised unless bonds were sold, and an interference with bond sales was therefore an interference with the military forces. Strangely enough, no attempt was ever made to prosecute Judge Aldrich for advocating violence. Under the proposed statutes one could be presumably prosecuted for saying thousands of different things about the present administration that have been uttered in the last 2 or 3 years.

In May 1918 it became still easier to get into jail, when the Espionage Act was amended and nine new offenses were added. By this time the Attorney General with the cooperation of the American Protective League—does not this sound something like the Liberty League?—created with his approval, and although a self-supporting organization and without official standing, cooperating with the Bureau of Investigation had at his disposal approximately 250,000 disloyalty hunters. By this time his office was receiving an average of over 1,500 complaints daily. In his annual report for 1918 he stated:

Hundreds of articles or passages from newspapers, pamphlets, books and printed matter, transcripts of speeches, reports of private conversations, etc., have been reported to the department for decision as to whether or not the matter justified prosecution under the Espionage Act.

Lots of it did, and for expressing disbelief in conscription in a private conversation, Paul Bosko, of Parksburg, W. Va., received a 15-year sentence. In Sioux Falls, S. Dak., a

10-year sentence and a \$10,000 fine was imposed for writing a letter to a friend in which opposition to the Liberty loan was expressed. In New York, Arthur Roth expressed his private opinions and received 5 years for seditious utterances—the evidence being obtained from an intercepted letter. In Tucson, Ariz., two Italian laborers were given 2 and 3 years for possessing "seditious" leaflets. Three aged Germans in a small shoe-repair shop were convicted on the basis of a dictograph record. A German-American who refused to buy a Liberty bond because he did not wish either side to win was sent to jail. This case was later reversed; but the point is, such laws ought not to be enacted, because they lead to so many abuses.

In Montana, Albert Brooks received from 7 to 15 years for violating the State Sedition Act in giving away a copy of a book called "War and the Workers." In Atlantic, Iowa, W. T. Woodward got 6 months plus a \$600 fine for belonging to a "people's council." Even in Alaska, Bruce Rogers was convicted under a sedition law for saying, "We must make the world safe for democracy even if we have to 'beau' the Goddess of Liberty." The acme of patriotic fervor was finally reached in a western city, where the police warned strikers that they would be held for treason (punishable by death) if they did not return to work.

Where States failed to enact special legislation existing laws punishing disorderly conduct, unlawful assembly, and so forth, and so forth, were stretched and strained in all directions to include any kind of critical utterances. In New York a young man got a year and 20 days in prison for a remark that he would rather go to prison than be drafted in the Army. For spitting on the sidewalk Fred Cammer was given a 3-months' sentence because some Italian—not American—officers were standing nearby. In California, James Ross, speaking against the draft, was tarred and feathered—allegedly by public officials—then he was given 3 months in jail, plus a \$300 fine, for disturbing the peace. In Martinez, Calif., Fred Masson got 6 months for speaking disloyally—whatever that is—of the Red Cross. In Chicago a man who refused to stand up at the playing of the Star-Spangled Banner was fined \$50. In Indiana a Socialist lawyer was disbarred for pacifistic speeches. In St. Paul, F. A. Webster was dismissed from the post-office service because he furnished bail for three men who had been indicted for failing to register for the draft.

On November 11, 1918, the armistice was declared, but the Government carried on despite the fact that the Espionage Act was limited by its terms to "when the United States is at war." Arrests were perhaps not so frequent, but prosecutions continued on the same hysterical plane. The most prominent case was that of Dr. Morris Zucker, who was sentenced to serve 15 years in prison for a speech which he made on Thanksgiving Day following the cessation of hostilities. Before the appeal from his conviction could be heard by the Supreme Court he was pardoned by President Wilson.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. BLANTON. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. McCLELLAN].

Mr. McCLELLAN. Mr. Chairman, I requested this time so that I might direct the attention of Members to something I think of grave concern to every American citizen, something that should receive the attention of every Member of this House. We have already heard some discussion of communism this afternoon and I regret that I am unable to follow the suggestion made by the gentleman from Texas [Mr. MAVERICK], who just preceded me, that we forget about communism. I say, God forbid that real Americans should ever forget about the menace of communism. [Applause.] This morning when I read in the Washington Herald an editorial entitled "Communism and the Columbia Broadcasting System", and when I reread it and began to understand the full significance of what is transpiring in America, and the subject that that editorial deals with, I was aroused I believe to a keener sense of my duties and responsibilities as a representative in this legislative body than

I have heretofore felt since I took the oath of office. At first thought it occurred to me, what is communism? This editorial announces that tomorrow the head of the Communist Party in America is to have the free use of one of the greatest broadcasting chain radio systems that we have for the purpose of disseminating information about Russian communism, not only information about it, but to preach to Americans the doctrine of the destruction of free Christian institutions. When I read that I thought it was time for Congress to take some action.

I inquired today and learned from the authorities of the Federal Communications Commission that there are letters and telegrams pouring in to it now from American people throughout the Nation protesting the free use of these facilities being made available to public enemies of this Government. I join with all true Americans in that protest. I do not know how far we can go or just what can be done, but I say to you that if we are helpless, if the Federal Communications Commission does not now have under the law authority to prohibit the broadcasting of this doctrine of destruction and overthrow of the very Government that patriots by the thousands and millions have died to establish, build, and maintain, then God pity us, I do not know how we are going to be saved. As an American citizen, and as a Member of this Congress, I resent the action of the Columbia Broadcasting System making available its facilities free to those who want to preach the doctrine of Soviet communism and of destruction of our system of government to American citizens. The boys who wore the khaki in the World War went across to foreign soil to fight a war to make the world safe for democracy. Whether we failed in making it safe for democracy may be debatable, but we do know that we preserved America, and on their behalf I denounce the action of this broadcasting system that is making available its facilities for the purpose of aiding an organized public enemy. [Applause.]

I go further. I say to you out of profound reverence and gratitude to those who have made that flag possible, to those who have secured to you and me and passed on to us the heritage that gives us the right today to assemble and worship Almighty God as we please, and to have free institutions of learning, I denounce the action of the Columbia Broadcasting System for aiding and abetting a public enemy that seeks to invade this Nation by the dissemination of its poisonous propaganda.

Mr. PIERCE. Mr. Chairman, will the gentleman yield?

Mr. McCLELLAN. Yes.

Mr. PIERCE. Is the gentleman aware that the doctrine he is now preaching, if it had been in existence some years ago and been in force, there would have been no flag, there would have been no America, no independence? Goodness gracious, what do you know about Russia?

Mr. McCLELLAN. Does the gentleman want to make a speech in my time?

Mr. PIERCE. No; but I think the gentleman is giving vent to a lot of fuss and feathers about nothing.

Mr. McCLELLAN. Well, I am glad that the gentleman needs enlightenment. What the gentleman has in mind is the doctrine of free speech, I suppose.

Mr. PIERCE. Yes.

Mr. McCLELLAN. Does the gentleman say that we ought to sit here idle and let those who are seeking to gain control of this Government for the sole purpose of destroying free speech get control of it by the use of these facilities?

If that is all you know about Russia and communism then you really need to be enlightened. [Applause.]

Mr. PIERCE. How do you know what you are saying is true?

Mr. McCLELLAN. How do you know it is not?

Mr. McCORMACK. Will the gentleman yield?

Mr. McCLELLAN. I yield.

Mr. McCORMACK. The gentleman from Oregon [Mr. PIERCE] has raised a question which has been advanced and which many people honestly misunderstand. When the framers of the Constitution revolted, they revolted; they did not claim they had a right to urge revolution under the guise

of freedom of speech. They revolted and engaged in a revolution. If they had been apprehended they would have been tried as traitors.

Mr. McCLELLAN. Mr. Chairman, at this time I ask unanimous consent to revise and extend my remarks and insert in the RECORD this editorial about which I have spoken.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

Mr. SCOTT. I object to the editorial, but not to the revising of the gentleman's remarks.

The CHAIRMAN. Does the Chair hear objection?

Mr. SCOTT. Mr. Chairman, I object.

Mr. McCLELLAN. I invite the gentleman from California to read it. It has some good Americanism in it. I regret I do not have time to read it, but I think it ought to go into the RECORD so that all American people may have an opportunity to read it.

Mr. BLANTON. Mr. Chairman, so that my friend will not be denied the right of free speech, about which our friend from California talks much, I yield the gentleman 3 additional minutes, so that, in spite of the objection, he may let us know what said editorial embraces.

Mr. McCLELLAN. We go out and build battleships, manufacture cannons and airplanes, and we spend billions on equipping and maintaining an Army and Navy to defend us against enemies who might attack us in time of war. Have we not the desire and courage and power and statesmanship to prevent, in times of peace, the formation and prosecution of a conspiracy for our ultimate destruction by force and revolution? I say to you that if they gain any hold at all they will advocate revolution. That is their aim and purpose.

Mr. Chairman, I desire, as a Member of this Congress, to go on record today by answering in the affirmative that I think we ought to have, as Members of Congress and the representatives of our people at home, the desire, the courage, the will, and the determination to take such affirmative action by legislation or otherwise, as may be expedient and necessary, to prevent them from ever gaining a foothold in this Nation.

Mr. BLANTON. Will the gentleman yield?

Mr. McCLELLAN. I yield.

Mr. BLANTON. Will the gentleman tell us what is in that editorial to the printing of which the gentleman from California [Mr. SCOTT] objected?

Mr. McCLELLAN. I do not have time to read it.

Mr. BLANTON. You can tell us what is in the editorial.

Mr. McCLELLAN. I will answer the gentleman by saying that it points out that this man Browder, who is the head of the American Communist Party, is to speak tomorrow, and has the free use of the facilities of this chain broadcasting company. He has announced, or his paper, the Daily Worker, the official organ of that organization, has announced that for the first time in the history of the American (Communist) party the millions of the American people will have an opportunity to hear the program—and note what the program really is—of that party direct from the foremost American authority on communism.

Local stations which are part of the Columbia system should be urged to pick up this broadcast. Organizations should arrange mass meetings where workers and farmers can be brought together to hear this important speech.

Oh, we may well expect that his remarks will be mild at first, but we do not have to speculate as to the motive that prompts this address or the results this enemy of our Government hopes to achieve.

And I may say further to my colleague from Texas [Mr. BLANTON] and to the other Members of this House that the author of this editorial points out previous public declarations of this man, Earl Browder, and also of articles contained in the Daily Worker, the official organ of the Communist Party in America, as recently as December 9, 1935, in which they advocate "the dictatorship of the proletariat and the power of the soviets" in America and in which they advocate the establishment of "one party—and for building the transition to the revolutionary struggle for a soviet America."

I heartily commend this paper for its great patriotic service in the publishing of this editorial and in calling this matter to the attention of the American people, and I endorse every statement made and every assertion contained therein. Communism is the very antithesis of democracy. It is the oil of regimentation that will not mix with the pure waters of religious and economic freedom. I make my choice and cast my lot with democracy. And I invite you, my colleagues, to read this editorial and join with me in protesting the un-American conduct and act of the Columbia Broadcasting Co. in surrendering to this organization the availability and use of its powerful facilities for the dissemination of this un-American propaganda.

This action on the part of the Columbia Broadcasting System and its president, William S. Paley, constitutes a flagrant insult and defiance to every believer in Almighty God and every lover of our Christian institutions. The leaders of the Communist Party and powers in Russia are atheists. In that country the worship of Almighty God is forbidden. Religious liberty has been completely trampled and destroyed. If it is their purpose to overthrow our American Government and institute instead these principles, policies, and doctrines that now obtain in Soviet Russia, as their official organ, the Daily Worker, has proclaimed, as quoted in this editorial, then I say to you that any action of this organization and its leaders and the emissaries of the Soviet Government toward the accomplishment of this design constitutes treason in the extreme. It is an offense that I cannot tolerate and which I most emphatically, unreservedly, and irrevocably condemn. [Applause.]

This man Browder, during the time the American soldiers were wearing khaki and fighting in France, was serving in a Federal penitentiary for being a slacker. That is the stripe of Americanism they now tell us ought to be granted free speech to overthrow the very Government the World War soldiers fought to preserve. I say to you I will not go along with that sort of "ism" and neither will I condone it by silence. I believe in preserving these institutions, and I shall raise my voice on every occasion and against any man who attacks and seeks to destroy all that we have built for the freedom and happiness of our people during our 160 years of national existence.

Mr. McSWAIN. Will the gentleman yield?

Mr. McCLELLAN. I yield.

Mr. McSWAIN. Is it not a fact that advocating the overthrow of our Government by force and violence is substantially and virtually treason?

Mr. McCLELLAN. It is treason, and the act of the Columbia Broadcasting Co. in making use of its facilities free for that purpose is little if anything less than treason itself.

Mr. McSWAIN. Is not treason a greater crime than murder? Would anybody under the sun sustain and support anybody who would broadcast or publish a paper advertising murder?

Mr. McCLELLAN. Certainly not. Talk about freedom of speech! Freedom of speech ends when and wherever the conversation of the persons talking advocates the overthrow of this Government by force and violence begins. Whenever the conversation runs in that direction, there is no license or right that I recognize as being superior to my duty and yours of preventing the accomplishment of such a design. It is the same proposition of a man walking down the street and saying to you, "Governor PIERCE, I have a right to wave my arms. That is my individual liberty, and I propose to do as I please and exercise it." But you will immediately warn and admonish him, "Yes; but your individual liberty ends where the point of my nose begins." [Laughter.]

So I say their liberty ends where the safety and preservation of our national existence and democratic form of government begins.

Mr. BLANTON. Will the gentleman yield?

Mr. McCLELLAN. I yield.

Mr. BLANTON. As a matter of fact, illustrating what those who oppose the McCormack and Kramer bills mean by free speech, when the gentleman, being a representative of the people, wanted to read an editorial, one of the ad-

vocates of this free speech, who objects to the Kramer and McCormack bills, the gentleman from California [Mr. SCOTT], objected to his extending the editorial?

Mr. McCLELLAN. That is true. [Applause.]

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. BLANTON. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, I asked for this time in order, in my humble way, to answer the remarks made by the gentleman from New York [Mr. WADSWORTH] a while ago when he attacked the Federal Communications Commission for complying with a subpoena issued by a senatorial committee, commanding them to seize certain telegrams that had been passed in connection with the corrupt lobbying campaign carried on by certain public utilities during the last session of Congress.

Permit me to remind you that the telegraph company is a public utility over which the Communications Commission has certain powers of supervision. The Senate of the United States, acting within its constitutional rights, instituted an investigation of a system of corrupt propaganda carried on by certain utilities, largely power companies, and holding companies, last year for the purpose of influencing the Congress of the United States. When certain participants in that campaign were called before the senatorial committee they had forgotten everything. You will remember that one of their chief spokesmen, one of the chief offenders, could not remember anything. When they asked him for certain records he admitted that they had been destroyed. The committee called for these telegrams and were told they had been burned, evidently for the purpose of keeping the Senate of the United States from getting hold of them.

It is a matter of common knowledge that one of the chief offenders was hiding out here in Washington in order to keep from appearing before that Senate committee to testify in that investigation. So the committee, acting within its constitutional rights issued this subpoena and had the Federal Communications Commission seize the copies of these telegrams in order that they might be produced as evidence, in place of the originals which had been misplaced or destroyed.

The gentleman from New York [Mr. WADSWORTH] talks about the innocent victim, the man who sends an innocent telegram. This man is not being disturbed and he is not the one who is kicking. The man who is being disturbed, and who is doing the kicking, is the man who was using the telegraph company for the purpose of corruptly influencing the Congress of the United States.

Thousands and thousands of these telegrams were forged. Others reveal misconduct tending to undermine the very foundation of our Government.

My prediction is that if the Senate is let alone they will go a long way toward putting a stop to such corrupt lobbying as well as to the wholesale plundering of the consumers of electric light and power and the robbing of innocent people of this country through the sale of worthless watered stocks.

So I say, Mr. Chairman, that the Federal Communications Commission was absolutely within its rights, and instead of being subject to criticism they should be supported for doing their duty in this matter.

Now these utilities threaten to go into court and try to enjoin the Senate of the United States. These people, who have been guilty of the most corrupt lobby that ever took place around this Capitol, now threaten to go into court to try to prevent the Senate of the United States from getting the facts. They have gone all over this country trying to perpetuate government by injunction. They have gone into the lower courts in nearly every State of the Union and enjoined, or attempted to enjoin, cities, towns, communities, and local power associations that are trying to protect the people against the highway robbery that has been perpetrated in light and power rates.

Now they brazenly come in, when the Senate of the United States uncovers this evidence of corruption. Then we hear a great cry of protest on the part of those indi-

viduals who do not seem to want these corrupt lobbyists brought to justice.

I say, Mr. Chairman, that the Senate of the United States is within its rights, and the Federal Communications Commission is within its rights; and together they are rendering one of the greatest services that has ever been rendered the American people in your day and mine. [Applause.]

Mr. MAVERICK. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein certain excerpts from the hearings to which I referred.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SNELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SNELL. Was not general permission to revise and extend granted to all who speak on this bill?

The CHAIRMAN. The gentleman is correct in that statement.

Mr. RANKIN. That allows but 5 days. I want more time. The usual permission to revise and extend is good for 30 days.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, 3 years ago we inaugurated the President of the United States. [Applause.] No doubt the President of the United States should celebrate. [Applause.] But what should he celebrate?

Mr. Chairman, I call attention to the Democratic platform wherein promises were made for the consolidation of offices. The promise was made therein to balance the Budget. The promise was made therein for sound money. The Democrats promised to enforce the Sherman antitrust laws, and there were many other promises.

But read the record for the past 3 years and compare that record with what the Democratic platform promised. Do they compare? I say no. Then there is the statement of the President of the United States that "I pledge myself to that platform." Now, you Democratic Members should hold your heads in shame, because the only thing you have to celebrate today is the fact that the President of the United States and the Democratic Congress has carried out the socialistic platform. Now applaud that.

Mr. Chairman, may I call attention to the statement of the President in his message to the Congress of yesterday:

On January 3, 1936, in my annual Budget message to the Congress I pointed out that without the item for relief the Budget was in balance. Since that time an important item of revenue has been eliminated through a decision of the Supreme Court and an additional annual charge has been placed on the Treasury through the enactment of the Adjusted Compensation Payment Act.

He wants to blame the fact the Budget is not balanced on the Supreme Court of the United States and the fact that the Congress passed the Adjusted Compensation Act, which gave to the soldiers their just compensation. Is not that a ridiculous thing for the President to do?

May I read to the Members the statement made by Mr. Morgenthau, Secretary of the Treasury, as of January 4, 1936, the day after the President of the United States read the address to this session of Congress? This statement shows that from the previous July 1 until January 4, 1936, the total receipts were \$1,930,294,619.28, the total expenditures \$3,839,743,113.32, and that the excess of expenditures over receipts was \$1,909,448,494.04. You see how he had the Budget balanced? Well, it is not in balance at all by about \$2,000,000,000, and the President knew it.

The President then made this statement, in referring to his message of January 3, 1936:

If we are to maintain this clear-cut and sound policy, it is incumbent upon us to make good to the Federal Treasury both the loss of revenue caused by the Supreme Court decision and the increase in expenses caused by the Adjusted Compensation Act. I emphasize that adherence to consistent policy calls for such action.

See how he tries to blame the Supreme Court for his own acts; too bad he tried to misinform the people.

I want to read now from the statement of the Federal Treasury as of March 2, 1936, the day before the President

delivered this message, showing the inconsistency of this man. We find from Mr. Morgenthau's Secretary of the Treasury statement as of that date the total receipts were \$2,364,021,675.45 and the total expenditures \$4,781,964,921.16.

In other words, by that time we had spent more than we received by \$2,417,943,245.71. The statement shows that from January 4 until March 2 we had spent more than we received by \$508,494,751.67. Still going in the red fast.

That is the consistency of the President of the United States. I think you ought to celebrate this anniversary. [Applause.] You certainly have not anything but shame to celebrate.

I am going to read further from this message delivered on the 3d of this month:

Permanent Treasury income of \$500,000,000 is required to offset expenditures which will be made annually as a result of the Soil Conservation and Domestic Allotment Act recently enacted by the Congress and approved by me; and an additional sum recurring annually for 9 years will be required to amortize the total cost of the Adjusted Compensation Payment Act.

The net effect of paying the veterans' bonus in 1936, instead of 1945, is to add an annual charge of \$120,000,000 to the \$160,000,000 already in the Budget.

Think of the absurdity of that statement! How in the world can this Government spend \$8,000,000,000, take in by taxation \$4,000,000,000, then try to collect the sum of \$620,000,000, and balance the Budget? It is a ridiculous statement.

Now, here is what I want to call to the attention of the majority leader of the House, as well as the members of the committee: First, may I say that I have not anything against the majority leader [Mr. BANKHEAD] or any other Member of this House; but I do condemn the things that are being done by the Members of the House. We must cut expenditures of the departments.

We have passed now five appropriation bills. The independent offices appropriation bill was millions of dollars greater this year than a year ago. We have appropriated in the Interior Department appropriation bill a sum much larger than a year ago by millions of dollars; and the Senate over there, as stated this afternoon, have added many, many millions of dollars to it since. The Treasury and Post Office Department appropriation bill is greater by millions and millions of dollars. The War Department appropriation bill is greater by millions and millions of dollars this year than last. The Department of Agriculture appropriation bill that we passed is greater by millions of dollars this year than last. The District of Columbia appropriation bill, which we are considering at the present time, is greater by over a million dollars.

Mr. Chairman, where are we going to head in at? When will we stop this extravagance? I want to say that we have talked about responsibility. Whose responsibility? Whose, Mr. BANKHEAD? Is it yours or is it the Members of this House?

Mr. BANKHEAD. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BANKHEAD. Mr. Chairman, I am not sensitive about the matter, but I am a little meticulous about observance of the rules of the House, and it is a direct violation of the rules of the House for a Member to refer directly by name to any Member upon the floor, and I shall have to give the gentleman a little preliminary schooling on the rules of the House and I may add to it a little later on. The gentleman should say, "The gentleman from Alabama."

The CHAIRMAN. The Chair confirms the statement of the gentleman from Alabama and sustains the point of order.

Mr. HARLAN. Mr. Chairman, as an additional point of order and with respect to the same point of order made by the gentleman from Alabama, following parliamentary practice and under the rules of the House, the gentleman should not, from the floor, even address the gentleman from Alabama directly, but should direct all of his remarks to the Chairman or the Speaker.

The CHAIRMAN. The gentleman is correct.

Mr. RICH. It is all right to sustain the point of order, because I will take out Mr. BANKHEAD's name. I would not do anything to hurt him, but I want to show that this is the responsibility of someone. We will in the future refer to the majority leader.

Mr. PARSONS. Mr. Chairman, will the gentleman yield?

Mr. RICH. No; I do not yield now. I have not the time.

This question of balancing the Budget is a serious question and involves the very thing we are now talking about—the enormous expenditures of Government money. The President says the Budget is balanced. Every one of you knows this is not true. I know it, and so do you; and we are coming in here now and increasing every one of these appropriation bills and getting further away from a balanced Budget.

Now, if you do not have this responsibility as individuals, then the Democratic Party has the responsibility, because it promised this to the country; and in the name of the flag that we love we should preserve our country, because we are certainly not going to get any place if we do not. We are on the road to bankruptcy, and the majority leader knows it. Why does not he stop it?

Let me now call your attention to the fact that the President of the United States asked that we adopt some form of tax bill. Let me show you what has happened with reference to taxes in this country in the past few years.

Mr. PARSONS. Mr. Chairman, will the gentleman yield for a question on the public debt?

Mr. RICH. I do not yield. I have made that statement several times. If the gentleman will get me some time after my 10 minutes I will yield to him.

In 1920 the direct taxes were 72½ percent and the indirect taxes 27½ percent.

In 1929 the direct taxes were 68½ percent and the indirect taxes were 31½ percent.

In 1932 the direct taxes were 58½ percent and the indirect taxes 41½ percent.

In 1933 the direct taxes were 42 percent and the indirect taxes were 58 percent.

In 1934 the direct taxes were 34 percent and the indirect taxes were 66 percent.

In 1935 the direct taxes were 38½ percent and the indirect taxes were 61½ percent.

Now what are we trying to do? On the recommendations made by the President of the United States we are trying to give you more indirect taxes. In other words, you want to fool the people of this country, and that is all there is to it. You are afraid, and you have not the backbone or the manliness to stand up here and adopt the right kind of a tax bill and then go back to the people of the country and say that if we are going to have this ruthless expenditure of money somebody has to pay the bill, so you must be taxed again.

I do not care whether you take it from the richest men in this country if you say you have got to tear them down in order to get it, or apply a direct tax of some kind, but you will have to balance the Budget, and the only way to do that is to get in as much money as you are spending; and I may tell you right now that I supported that iniquitous tax bill you had up last year to preserve the country, but I am not going to do the same thing this year unless you do a good job and bring in the right kind of tax bill. If you do that, then we will give it every consideration under the sun.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield the gentleman from Pennsylvania 5 additional minutes.

Mr. RICH. Mr. Chairman, we are placing upon the youth of America, the boys and girls who are in high schools and other institutions of learning in our country who have not yet gone into active life, a burden that is going to wreck them, and it is a crime. I tell you it is a crime that we stand here and permit these ruthless appropriations to go on, because those children will never be able to stand the great debt we are handing down to them, and I maintain that if we are sensible now, the Ways and Means Committee will give due

hearings and deliberation to a proper kind of tax bill that will try to increase our income, and if the Congress, including the majority leader and members of the various committees, will say to the membership of the House that we must stop our ruthless expenditure of funds, then there is a possibility that we may be able to get our Government in good working order and condition.

I want to help you over here on the Democratic side, and I want to do the right thing. I think more of country than self or party. I have tried to cut down these expenses, and I have tried to help you raise funds, but you must remember that our responsibility is for today, and we have obligations to our constituents; we have the obligation to preserve our Nation, we owe an obligation to the children who are coming on, and we must try to do these things in a sound, sensible, and businesslike way.

Whenever the head of a big business organization has a general manager and an assistant general manager, foreman and an assistant foreman, they tell the foreman that they must cut down expenses and operate on sound business principles. They do it. That is the duty of the majority leader now, to handle the business in a sensible business way. Tell your committee chairmen to cut their expenses, not to increase them. If we will do that in the House of Representatives, we then can have it said of us that we are a sensible, sane organization and trying to do the right thing. If you do not do it, it is a shame and a crime.

You know and I know that we have put the power that belongs to a Member of Congress into the hands of the President of the United States, where it does not belong. You passed it. He comes here and says to us, "I want \$3,000,000,000, I want \$6,000,000,000, I want \$9,000,000,000; and he gave the country to believe that that was something new, that it was a "new deal." You gave him what he wanted, and I know that a good many Members on your side and the Members on our side of the House are sorry that you did it.

Mr. BLANTON. Will the gentleman yield?

Mr. RICH. Is my time up, Mr. Chairman?

The CHAIRMAN. The gentleman has 1 minute more.

Mr. RICH. Then I will take that 1 minute and then yield to the gentleman from Texas.

Mr. BANKHEAD. The gentleman was proceeding to lecture us about something.

Mr. RICH. I was lecturing the majority leader—and all in authority in the House of Representatives—because he did not assume his responsibility and tell the committee chairmen that they should not bring in such enormous expenditures—expenditures greater than we had last year.

Now, the President said that we have balanced the Budget. That is not true, as I have shown by Treasury statements of his own Secretary of the Treasury.

I hope that we will get to the point where the business will be done on a sound and sane basis. Now, I will yield to the gentleman from Texas.

Mr. BLANTON. I will yield the gentleman an additional minute. I want to ask my friend if it is not a fact that 2 weeks ago I read into the Record a letter from his brother and partner from Woolrich, Pa., stating that last year, 1935, that the gentleman's firm in Woolrich, Pa., had the best year that they had had in their 105 years of existence?

Mr. RICH. I want to say that that is true. [Applause.] We did it in spite of this administration. If I wanted to accept that as an advertisement, I might say that you remember the old saying that if a man builds a better mouse trap than his neighbor the world will make a beaten path to his doorway. That is what they are doing with this merchandise. If you want to give me that advertisement, I am not soliciting any free advertising, and the gentleman from Texas knows it. But I want to say, gentlemen, that we should get down to serious business—and this is serious business—of running the Government on a sound financial policy. It is so serious that we ought to get down onto a sound, safe, sane basis, and do it at once—no delay. [Applause.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, in the discussion of the Kramer-Tydings-McCormack bills this afternoon, a great deal was said with reference to communism and many other isms. As I see it the issue involved in both the Kramer bill and the Tydings-McCormack bill is not what is communism or what is any other ism, but the issue involved in the proposed legislation is the preservation of the Bill of Rights in the Constitution of the United States. I take this opportunity to read the first amendment to the Constitution of the United States, which is well known to many of you:

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble and to petition the Government for a redress of grievances.

In the Kramer bill it is proposed to make it a crime to willfully and knowingly advocate the overthrow of the Government by force and violence. In considering that legislation, I think it is necessary that we bear in mind whether or not the enactment of that law or the Tydings-McCormack law violates the first amendment of the Constitution of the United States. If it does violate this amendment, then clearly it should not be adopted.

The Supreme Court of the United States has repeatedly held that a law making unlawful mere advocacy of the overthrow of the Government by force and violence violates the first amendment, and that only when the advocacy of the overthrow of the Government by force and violence is intended as incitement is such a law not in contravention of this amendment.

Hence, the only basis for the upholding by the Court of statutes similar to the Kramer bill has been that such statutes dealt with incitement to overthrow the Government and not mere advocacy. In other words, the Court has held, especially in the *Gitlow* case, that "to willfully and knowingly advocate the overthrow of the Government by force and violence" meant to willfully and knowingly incite the overthrow of the Government by force and violence. The language of the Court has plainly indicated that if the statutes were intended to make mere advocacy unlawful, then the statutes would be null and void. The reason for such distinction is that one may advocate the overthrow of the Government by force and violence, such a right being guaranteed in the first amendment, and is supported historically by a long line of great Americans, such as Jefferson, Lincoln, and Mr. Justice Holmes. However, such advocacy must not constitute incitement. The Government has a perfect right to protect itself against overt acts and incitement. However, the weakness in the reasoning of this decision lies in the difficulty of drawing the line of demarcation between mere advocacy and incitement.

The question which I now propound to the intelligent advocates of this legislation and not to the professional flag wavers and modern witch burners is, When does mere advocacy cease and when does incitement begin?

The gentleman from Massachusetts [Mr. McCORMACK], whom I consider one of the very few earnest and intelligent advocates of this legislation, has stated that this question should be left to a jury. Very well, but that does not answer my question; it merely evades it. What happens when we enact a law which creates this dilemma? Can we not conceive the grave danger inherent in the necessity of having to decide this problem which would be forced on us by this type of legislation? A jury may find it to be incitement when one merely advocates. A juror is bound to be influenced by the mores and the taboos of his period. In other words, a person will be accused of advocating a certain ism, and a definition will be given to that ism, and that definition will be widespread throughout the country by some portions of the press, and a jury will send that person advocating that ism to jail, even though he is not inciting the overthrow of the Government by force and violence. Illustrative of what the author of this bill himself [Mr. KRAMER] would consider the ceasing of mere advocacy and the beginning

of the incitement is found on pages 35 and 36 of the hearings on the Kramer bill before the Judiciary Committee. According to his own testimony some of the reasons he wants us to enact this law are because of some signs he saw carried in a parade of unemployed workers in California. Then he urged on the committee some cartoons lampooning the President as reasons for the necessity of his bill becoming law.

Of course, these reasons seem silly to many of you, as they did to a large number of the members of the committee. Yet here we have the author of the bill himself urging the committee to report his bill favorably so that the people who did the silly things he described could be sent to jail. This may seem funny, but it is nevertheless very dangerous. It clearly demonstrates the danger of trying to decide what is mere advocacy and what is incitement. Incitement today might mean communism tomorrow, socialism the day after, pacifism, and, finally, organized labor, especially when it is on strike. The passage of the Kramer bill would be the most dangerous blow to organized labor in America. In other words, are we going to leave it to a jury to fix the line of demarcation? When does mere advocacy cease and when does incitement begin, and what constitutes incitement? In some places it might mean a labor strike; as a matter of fact, this Kramer bill could be effectively used against labor leaders and pickets during an industrial disturbance. A speech is made by a labor leader. His words would be, for instance, to the effect that labor must fight to win. Assume he uses similar phrases. Assume that the National Guard is out. Feeling is running high. The employers start waving the flag. The Hearst press starts preaching the Hearst type of patriotism. What chance would the labor leader have before a jury living in such an atmosphere? My next point is, What is the reason for this law? You cannot make the mere advocacy of the overthrow of the Government by force and violence unlawful. Many of you say that is not your intention, but you say let us make it unlawful to incite. What is the necessity for such a law? Is it to protect our Government and its institutions from violence? Let us see if we need such a law to do this, assuming that our Government and institutions are in danger. We have ample legislation. We have insurrection statutes in practically every State as well as Federal insurrection statutes. We also have statutes dealing with riots, statutes dealing with treason, statutes dealing with assault and battery and other forms of violence.

There is every conceivable statute which would cover the situation with regard to the violent overthrow of our Government and its institutions. If one person incites another to do a certain act, if that act is unlawful, then that person can be sent to jail today without this legislation. Furthermore, we have the Army and the Navy, the National Guard, the police, and finally and most important, the American people. So that we become rather suspicious as to the purpose behind the legislation. It is not really to protect our Government and our institutions from insurrection, but it is really, as I suspect the purpose is on the part of some of the advocates, to deprive certain people of the right to speak their minds on certain economic and social subjects. Once and for all—and there has been a great deal of jesting about this—I am not a Communist. I am a Republican, sincerely believing in the teachings of Abraham Lincoln. I say that I believe the Communists, the Socialists, the Republicans, and the Democrats have a perfect right to advocate what they believe in, and that there should be no law depriving them of that right. [Applause.] This type of legislation is not really aimed to protect our Government and its institutions, because it is not necessary and would be only cumulative legislation to achieve such a purpose, but it is aimed at depriving certain minorities of their rights to express themselves on the various economic and social questions confronting our country. It is aimed by many of its advocates to suppress protests on the part of the oppressed, forgotten men and women, and the unemployed. It is aimed at labor when labor becomes militant on the economic front.

I realize that there are some abuses of freedom of speech. Are those abuses of freedom of speech so numerous or so

dangerous that they warrant a curtailment of freedom of speech? I ask you to bear in mind, to contrast, and to weigh the abuses that result from freedom of speech and the evils that result from a curtailment of freedom of speech. The evils resulting from the curtailment of freedom of speech far outweigh the abuses. This has been the experience of every democratic people throughout the world, and that is why laws such as the Kramer bill are rare in democracies. Think of England and Hyde Park—England, with her centuries of experience.

Then let the history of this country speak for itself. We remember the history of the alien and sedition acts which the Federalists forced on this country. The abuses that resulted from that curtailment of freedom of speech were so enormous that they swept out of existence for all time a political party which was dominant.

This is no time to curtail freedom of speech. This is a period in the history of our country when the greatest freedom of speech should prevail. Never before in the history of our country have economic and social questions so agitated our people. With the 12,000,000 unemployed, with thousands of farms being foreclosed, the situation demands not suppression in any form but the fullest and freest expression. Let us call a halt to the consideration of this type of legislation and let us turn our attention to adequate employment, direct and work relief, relief to the farmers, genuine social security, and fight the danger of war and reaction. There is no danger to our governmental institutions. The subversive element in this country constitutes an infinitesimal minority in the ranks of the so-called liberals and radicals, with no strength and no power to bring about the overthrow of the Government by force and violence. Mr. Chairman, if there ever was a danger to our basic democratic institutions, if there ever was a real subversive danger to these institutions, it does not come from the left, it does not come from the radicals, it does not come from the liberals; it comes from the right, from the extreme reactionaries.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. MARCANTONIO. The real danger to our cherished institutions comes from the organized reactionaries in America who are ready, even with violence, to overthrow our Government and establish a dictatorship of reaction in this country. Labor, the farmers, and the unemployed are liberty-loving Americans. They need freedom of speech; they need unlimited freedom of speech at this time more than ever before. When you curtail, under the guise of such legislation as this, the right of these groups to free speech or the right of the minorities, even the radical minorities, to freedom of speech, you are playing directly into the hands of those reactionaries who would establish a dictatorship of reaction in this country.

The issue, as I see it, is not communism. It is not whether communism is right or wrong. It is not whether socialism is right or wrong. The issue here is not the correctness of any ism. The issue is whether or not we should curtail freedom of speech at this time when it is needed more than ever before in order to preserve our basic democratic principles. Have not labor, the farmers, and the unemployed a right to agitate? Do they not have a perfect right to protest and exercise their right to petition their Government? Then, why enact laws which are unnecessary and which will curtail these rights when they are most needed? But the moment one of this group protests, immediately they are called dangerous radicals and the subversive elements in the country. They are not subversive elements. The unemployed, for instance, love America. They want to protect America. They want to build up America. They want to restore this Government back to the hands of the people and keep it away from the reactionaries. It is those unemployed who are really making a fight for our fundamental institutions and for the protection of our basic democratic principles.

Mr. LUCAS. Will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. LUCAS. The gentleman has said that certain reactionary individuals or organizations are seeking to set up a dictatorship in this country, rather than the unemployed. Will the gentleman tell the Members of the House just who he has in mind?

Mr. MARCANTONIO. Yes. I say that the tactics of the Hearsts, of the Liberty League, of many of the chambers of commerce throughout the United States, of the American Manufacturers Association, of the American Bankers Association point irresistibly to this conclusion. They are forming a united front to overthrow the basic fundamental democratic principles of the United States. So that the danger does not come from the unemployed, labor, the organized farmers, or the radical minority, but it comes from those elements. Curtail freedom of speech, and you play right into the hands of these reactionaries in this country.

Mr. LUCAS. Do those organizations advocate the overthrow of this Government by force?

Mr. MARCANTONIO. Oh, they do not have to advocate it. They do not have to say, "We advocate the overthrow of the Government by force and violence." No. The first thing they will advocate is the suppression of the Bill of Rights of the Constitution of the United States. That means, curtail free speech. They will try to deprive labor of the right to organize, strike, and demand better conditions. They will do their best to keep the farmers from organizing. They will try to control the press and the machines of both political parties. They will seek legislation guaranteeing to themselves an economic dictatorship of America's economic life. When opposition is felt by them, due to our democratic institutions, their next step will be to try to set up a political dictatorship of reaction.

Mr. HARLAN. Will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. HARLAN. I agree very much with the remarks of the gentleman, but I was wondering how the gentleman in New York City could be elected on the Republican ticket with his sentiments?

Mr. MARCANTONIO. The Republican Party is a great party. The Republican Party is big enough to hold gentlemen like Ogden Mills and Vito Marcantonio within its folds. [Applause and laughter.]

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, I rise this afternoon to remind the House that a citizen of Illinois but a native of Kentucky, who once served in this historic body from 1847 to 1849, stood on the front steps of this Capitol Building 75 years ago today and took the oath of office as the sixteenth President of the United States—Abraham Lincoln. [Applause.]

The country that then faced him was one torn with dissension, for a number of the States had seceded from the Union, and the threat of civil strife was heard on every hand. A description of what took place that afternoon I have found in a little book which, summed up in these few lines, will give some idea to us, who now live, of the condition that existed then, and the temper and mind of the people who lived in that historic day.

It was March 4, 1861; and I find that the carriage which contained President Buchanan and the incoming or the new President, Lincoln, as it was driven up Pennsylvania Avenue, had an escort of cavalry on either side, a regiment of soldiers before it, and riflemen were placed on the roofs of the buildings along Pennsylvania Avenue in order to preserve peace and order as the inaugural procession proceeded to this Capitol Building. Light cavalry, batteries, and cannon had been placed on the Capitol Grounds, and I am informed by a reliable source that beneath the very steps on which Lincoln stood 75 years ago today General Scott had placed a regiment of soldiers, had concealed them there in order

to subdue or prevent riot or disturbance in the audience that had gathered to hear the inaugural address.

It was a bright, clear, sunny day, just like the one we are enjoying here in Washington this afternoon. About 30,000 people had collected to hear the new President's address. In the group were 34 girls dressed in white to represent the 34 States that then made up the National Union.

I have given the substance of a few lines in order that we may have an accurate picture of what took place. This account says the procession was large and imposing; riflemen in squads had been placed upon the roofs of commanding buildings and houses along Pennsylvania Avenue with orders to watch the windows on opposite sides and to fire at anyone making an attempt to fire upon the Presidential party. On the brow of the hill near the north entrance to the Capitol was stationed a light battery of artillery, and near this General Scott remained a careful observer of all that passed during the entire ceremony.

Chief Justice Taney who, 5 years previously, had delivered the Dred Scott decision, administered the oath of office. The Thirty-sixth Congress closed at 12 o'clock noon of that day. What he said in his first inaugural address is well known to everybody but its closing sentence will stand until the end of time among the prophetic utterances of the century:

The mystic chords of memory, stretching from every battlefield and patriot grave to every heart and hearthstone all over this broad land, will yet swell the chorus of the Union, when again touched, as surely they will be, by the better angels of our nature.

One of the illustrious pronouncements Lincoln made that day and which I think is appropriate to quote today is this:

The people of the United States are the rightful masters of both Congress and courts not to overthrow the Constitution but to overthrow the men who pervert the Constitution.

I think it appropriate to quote this in view of the fact that on more than one occasion within the last few months the Constitution and the Supreme Court have been prominently before the American Nation.

That Abraham Lincoln met the crisis which then faced this Republic is a matter of national history. The crisis was whether or not a nation dedicated as our Nation is dedicated to the proposition that "all men are created equal" could long endure.

It was a different United States over which he was to preside as Chief Executive from the one we know now. There are a thousand things which we enjoy today that Abraham Lincoln never saw. Electric lights, the telephone, the automobile, the radio, and the airplane are among the things which were unknown to the American people of that day. There were but 33,000,000 people in the country at that time, and most of them resided east of the Mississippi River because that stream, the Father of Waters, was then almost our western frontier. At that time about two-thirds of the people of this country were engaged in the tilling of the soil or agriculture, while but one-third of the people were engaged in business, industry, and commerce. Today the ratio has just about reversed itself, for while we now have 127,000,000 people in the country, two-thirds of them are engaged in business, commerce, and industry, and only one-third in the tilling of the soil or agriculture.

Lincoln came to this high position untrained, with very little experience, and unknown to the people except for his debates with Stephen A. Douglas on the question of slavery and one other great speech, the address in Cooper Union Hall in the city of New York. Outside of his two terms in the Assembly of Illinois and one term in Congress from 1847 to 1849 Abraham Lincoln had no experience in governmental affairs. It is a fact, however, that he brought with him to the Presidency a great intellect and coupled with that an unusual amount of common sense. Americans can well be proud that this is a land that presents to every person within its borders an equal opportunity to rise from the most lowly birth and circumstances to the highest honor within the gift of the people, and we as American people today may well be proud that although one might come from the depths of abject poverty and a log cabin, he can

by honest labor, earnest effort, and native ability reach the White House of the Nation.

It was a long and arduous journey for Lincoln, but we as one people united can point with pride 75 years after his inauguration in this city to the fact that on the banks of the Potomac stands the most beautiful memorial ever erected to a human being. No matter from what section of the country we come or what State we represent in this historic body we can draw from the example of his life inspiration and a higher resolve to better serve the Nation in this House of Commons of the American people, and I venture the hope and offer the prayer that 75 years hence the Stars and Stripes will still wave over the land of the free and the home of the brave. May not a stripe be erased or a star dimmed in the flag which represents liberty and freedom to all the world. May our own country, these United States, which we represent here in the Congress be then as it is now, the envied abode of mankind. [Applause.]

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. LUCAS. I have the honor of representing at the present time the district in which Lincoln lived when he was a resident of New Salem, Ill. I know something about him. The gentleman said Lincoln had little or no experience previous to the time he came to Congress. May I call to the gentleman's attention this fact—

Mr. DONDERO. I think I know what the gentleman is going to say. He is going to refer to Lincoln's experience in the State Legislature at Vandalia and later at Springfield, Ill.

Mr. LUCAS. That is right. Furthermore, he served as a Democrat. The point I am making is that Lincoln served in the Legislature of Illinois as a Democrat.

Mr. COLDEN. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. COLDEN. Does not the gentleman believe it would be illuminating and appropriate to insert in the Record of today Lincoln's inaugural address of 75 years ago?

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. KENNEY].

Mr. KENNEY. Mr. Chairman, we have heard debated this afternoon the Kramer bill and the McCormack-Tydings bill. These bills, as I understand it, grew out of an investigation held pursuant to a resolution of this Congress. The resolution created a committee which heard testimony with regard to fascism, communism, and whatever other matters came under their jurisdiction. Presumably the reason for this investigation was that something was spreading in this country, and I feel the Congress ought to take notice that communism is spreading and it is taking root here. We ought at least to be cognizant of that fact.

The other day there was adopted by the House a resolution to investigate the Townsend plan. That is evidence, I believe, that the membership of this Congress thought that proposition was spreading and taking root.

Mr. Chairman, I do not see how anyone can disregard communism—the communism of the Third Internationale—in this country. It is the ruling form of government in one of the largest nations in the world. It is in control in Mexico. It has a foothold in China. It is making headway in this country, particularly in the large cities. I can take you into one school in New York where 98 percent of the children are Communists. There are 21 private schools in New York where communism is taught to pupils of the public schools, who attend communistic classes after their regular public-school work. Members of this Congress as well as the authorities of all of our States should not ignore the question.

When the McCormack committee met in New York there was a very important proposal made to it by Walter Steele, president of the American Coalition, a group made up of about 95 American patriotic societies. Mr. Steele said in substance that the Congress ought to memorialize the States to require all teachers in the public schools to take an oath to support the Constitution of the United States. So far as

that particular recommendation is concerned, nothing has been done about it, although I think it is the most important proposal of all, because no matter what legislation is enacted you will find persons meeting in cellars, in catacombs, and other places to carry out the communistic ideas ingrained and inculcated in them. If we are to check the growth of communism we shall have to go to the public schools, there to supply teachers who are not atheistic or communistic but true Americans who will bring up our children to know and to love American traditions and ideals. If we train our children to grow up with a love for our country and its institutions, no one talking communism over the Columbia Broadcasting System or preaching any other subversive doctrine is going to transform the civilian population or sink his propaganda into the minds of our soldiers or sailors in the Army and Navy. I therefore strongly feel that we ought to bring home to our teachers in the public schools their great responsibility.

I am aware that Dr. Angel, president of Yale University, and notable professors and educators throughout the country say that to require them to take an oath to support the Constitution is a reflection upon the teachers of the country. Oh, no. It is possibly a reflection upon us that in the past we did not require this oath, because the oath has always been attached to public office, which is public trust. We have been neglectful, because previously we have not had our teachers take this oath.

In the past perhaps there was not so much need for this action, because we did not have in this country in other days such widespread subversive teaching and preaching of communism. But communism is spreading in this country, as I am satisfied it is at the present time. Now that communism is here, we must do something to offset it. The best way to do it is to require of our teachers the oath of allegiance. They must give us the best security possible that they will not only teach our children the facts respecting the various governments, including our own, but will also strive to inculcate in them a love of American ideals and principles. They ought to have our children's interest at heart. The best assurance we can have that they do have, is to have teachers bind themselves to the Supreme Being by oath to discharge their trust.

The question of the efficacy of the oath was debated fully by public men at the very beginning of the American Republic. When the founders met to frame the Constitution, this question was raised. Some thought it was idle, just as some think it is idle today, to require the oath of officials holding public office. There are some today, too, who feel that it is an idle ceremony to exact an oath from witnesses who testify in court proceedings. Yet who would do away with that practice? Rather would we not preserve the sanctity of a court by preserving this oath? And shall we not require an oath from public officials in offices of high trust? And is not the office of public-school teacher today an exalted office—an office of tremendous responsibility?

When the question came before the first Constitutional Convention it was finally decided that the framers of the Constitution could provide no better security for the country than to require that the men who hold high office should take an oath to support the Constitution of the United States.

So an oath even for the President was exacted by the terms and provisions of the Constitution, and the exact language of the oath that our President must take is therein set forth verbatim. It is by the Constitution provided that the President shall upon assuming office take the oath it prescribes. The underlying reason for the oath was to exact from him for the benefit of the people who might elect him a solemn obligation to his Supreme Being that he would carry out his duties faithfully not only to the people but to his God. The selfsame Constitution also provided that Members of Congress, both Senators and Representatives, take an oath to support the Constitution, and they must do so before taking their seats.

The limitation of opportunities makes for the search for other ideals other ways. But if the principles of freedom,

justice, and equality are embedded in our youth, they will understand that greater opportunities lie ahead if we adhere to the doctrines that made this country great.

To the teacher, then, we must look as never before. The best security she or he can give us is to make oath that she or he will do their all-important part.

Twenty States now enforce statutes prescribing such an oath. Let us memorialize the other 28 to do likewise.

[Here the gavel fell.]

Mr. MARTIN of Massachusetts. Mr. Chairman, I think that we should have a larger attendance here to hear these fine speeches. I therefore make the point of order that there is not a quorum present.

Mr. BLANTON. Will the gentleman withhold that? We have just one 5-minute speech, and then the Committee will rise.

Mr. MARTIN of Massachusetts. Mr. Chairman, I withdraw my point of order for 5 minutes.

Mr. BLANTON. Mr. Chairman, I yield 3 minutes to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Chairman, in the closing 5 minutes of the debate today I should like to call the attention of the membership of the House to a fact which is well known to all Americans, and that is that today we are concluding 3 years of this Republic under the humanitarian leadership of President Roosevelt and this administration.

In this afternoon's Washington Evening Star there is carried a significant article by A. A. Patton, Associated Press statistician, which I believe is of sufficient interest to the membership of this House and of sufficient importance to the country at large to be inserted in the RECORD. With your indulgence, I read:

466 FIRMS SHOW BIG PROFITS GAIN—AGGREGATE NET INCOME RISES 33.9 PERCENT ABOVE PREVIOUS YEAR

By A. A. Patton

NEW YORK, March 4.—Aggregate net income of 466 domestic corporations for 1935 was 33.9 percent above the previous year, a tabulation made today by the Associated Press showed.

Total income for this group of companies, which embraces principal concerns reporting to date, was \$1,454,408,000.

Three giant industrial units—United States Steel, General Motors, and American Telephone—contributed more than 20 percent to the total.

The unusually sharp recoveries scored by steel and motors during the year strongly influenced the aggregate. Eliminating the three from the compilation, the gain was reduced to 27.9 percent.

Largest income increases were enjoyed by the previously depressed heavy industries, including machinery, railroad, oils, steels, building, automobile and automobile accessories.

In conclusion, let me say the opposition press, as we go into the actual fighting of the coming Presidential campaign, has no more difficult task confronting it than to carry upon its editorial pages the destructive, carping criticism of this administration and its acts and at the same time be forced upon its front pages and upon its financial pages to print thereon the increased earnings, stock advances, bonuses, and the splendid condition generally of American industry and the increased farm income of this country. [Applause.]

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. NELSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill H. R. 11581, the District of Columbia appropriation bill, 1937, had come to no resolution thereon.

HOLY NAME SOCIETY

Mrs. NORTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 10194) granting a renewal of patent no. 40029, relating to the badge of The Holy Name Society.

The Clerk read the title of the bill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That a certain design patent issued by the United States Patent Office of date of June 8, 1909, being patent

no. 40029, is hereby renewed and extended for a period of 14 years from and after the date of approval of this act, with all the rights and privileges pertaining to the same, being generally known as the badge of The Holy Name Society.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION BILL

Mr. BLANTON. Mr. Speaker, it is hoped that on tomorrow we will be able to finish debate and read a good part of the bill, so that we may finish its consideration Friday. I therefore ask unanimous consent that general debate on the District of Columbia appropriation bill be concluded not later than 3:30 o'clock tomorrow afternoon, the time to be equally divided and controlled by the gentleman from Pennsylvania [Mr. DITTER] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

VACATIONS OF GOVERNMENT EMPLOYEES

Mr. RAMSPECK submitted a conference report on the bill (H. R. 8458) to provide for vacations to Government employees, and for other purposes.

SICK LEAVE OF GOVERNMENT EMPLOYEES

Mr. RAMSPECK submitted a conference report on the bill (H. R. 8459) to standardize sick leave and extend it to all civilian employees.

THE "BRAIN TRUST" GOES TO TRIAL

Mr. MOTT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a radio address I made on Monday evening.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. MOTT. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address, which I delivered at Washington, D. C., over the facilities of the Columbia Broadcasting System Monday evening, March 2, 1936:

Ladies and gentlemen, when the people go to the polls in November they will answer the question whether the Roosevelt administration and the Roosevelt policies are to continue in operation for another 4 years or whether they shall be replaced by a new administration and by new policies in January 1937.

The issue to be decided there will arise out of a very simple question: What have the men who comprise the Roosevelt administration done with the governmental power and authority which the people turned over to them as a result of the 1932 election? To what purpose have they used that power and authority? Have these men, through their control of the Government, been able to solve any of the real problems which they promised 3 years ago they could solve and would solve if the people put the Government into their hands?

Now, Republicans have never contended that all the New Deal legislation is bad. Naturally, in the course of 3 years, there have been a number of good individual bills enacted. It would be very remarkable if it were otherwise; and those bills you will find the Republicans supported along with the Democrats. So that is not the contention here.

The contention of Republicans is that the Roosevelt administration has not successfully or properly employed the power of government, nor their control of the Government, for the purpose of solving any of the major problems which confronted the country when the President went into office. They contend, on the contrary, that the Roosevelt administration has employed that power principally for the purpose of setting up and trying out a wholly new philosophy of government, which is alien to the American idea of representative government and violative of the plain constitutional mandates which prescribe what the form and theory and purpose of our Federal Government shall be.

Now, what were the problems which confronted the country when the Roosevelt administration came into power?

They were, first, the problem of industrial recovery, the solution of which, by common agreement, lay in the finding of a method by which the millions of men then out of work could be restored to permanent employment in private industry; and, second, the problem of farm solvency and the future destiny of agriculture. The solution of that problem, by similar common agreement, involved, first, a method of farm-mortgage refinancing at a rate of interest the farmer could afford to pay; second, a method of assurance to the farmer that he would receive at least the cost of production upon that part of his commodity sold in this country; and, third, a method of enabling the farmer to dispose of his exportable surplus. There were other very important issues, of course, but in comparison

with the two main problems I have mentioned the others were minor issues and were so regarded by the people generally.

Now, what has the Roosevelt administration done about solving these main problems?

The Roosevelt approach so a solution to the first of these problems was the N. R. A. That, admittedly, is all of the legislation ever offered by the administration directly on the subject of unemployment in private industry. I am not concerned here with the argument whether N. R. A. would have worked or not, had it been constitutional. I simply call your attention to the fact that, although that law has been invalidated by action of the Supreme Court for nearly a year, the administration has not to this day even so much as hinted that it has or that it intends to have any legislation whatever to replace it; and, of course, it has none. That problem is right where it was on March 4, 1933.

The attempted New Deal solution of the other major problem, the farm problem, was the A. A. A. That law embraced its entire legislative program upon that subject. Again without arguing here how far the Triple A may or may not have gone in the direction of helping the farm situation, had it been constitutional, the fact remains that the Supreme Court has plainly said that the object and purpose of the Triple A—namely, the Federal control and curtailment of agricultural production, either by outright compulsion or monetary inducement, in order to carry out the Wallace theory of agriculture scarcity—is forbidden by the Constitution; and, the Supreme Court having so declared, the Roosevelt administration quit the farm problem cold—just as it did the unemployment problem after the N. R. A. decision. It is true, the professors who wrote the A. A. A. put in a soil-erosion bill and sent out propaganda that they were making a substitute for the Triple A, but the soil-erosion bill, as everybody in Congress knows, is nothing more or less than a political stopgap; it is transparently unconstitutional, and its only real purpose is to permit the mailing of the farm checks just before the November election. That is the last the farmer will ever hear of this bill. And so the farmer, after 3 years of "the more abundant life", is just where he was when the New Deal came into power.

The reason, in my opinion, why the New Dealers have failed to evolve permanent legislation to solve these and other practical problems is because they have insisted from the beginning upon treating them merely as classroom laboratory problems.

When the Roosevelt administration went into office, instead of turning its attention to what its own party platform had declared to be the proper solution of the major problems which needed solution, it propounded an entirely new list of problems. Nor did it stop there. It declared that the consideration of these new problems necessitated an entirely new philosophy of government. The philosophy it advocated was one which most of its own party leaders did not agree with and which the Congress did not agree with. Nevertheless, the President insisted it should be the policy of his administration, and he proposed to get it under way at once.

This new philosophy of government was based upon the bald proposition that the people are incapable of dealing with their own problems and that representative government, therefore, is impractical; that while the form of representative government may be retained, the actual power of government should be transferred to an independent agency, under the control of the President, but beyond the reach of the people and not responsible to them; that the men comprising this independent agency should decide what is best for the people and that their opinions in that regard should have the force and effect of law.

In order to put the new philosophy into effect the President was obliged to do several peculiar things. In the first place, he was obliged to throw his party platform in the wastebasket. Next he was obliged to banish from any effective part in his administration nearly every recognized Democratic leader. And next, and perhaps most astonishing of all, he was obliged to get rid of the Congress of the United States, so far as its independent law-making authority was concerned.

The actual power of government, legislative as well as executive, the President immediately appropriated to himself, and to assist him in the exercise of this power he proceeded to surround himself with a group of men, the like of whom has never been seen in any administration; men whose records, whose party affiliations, and, in many cases, whose very names, were unknown to any but a handful of people in the United States. This group of unknowns became widely publicized as the "brain trust." It included the Moleys, the Wallaces, the Tugwells, the Ickeses, the Frankfurters, the Cohens, the Corcorans, and a host of lesser lights, and upon these men the President bestowed a large part of the policy-making authority of his administration. To his weird crowd of professors and subprofessors he gave authority to make a new economic program of their own and actually to write their own laws to put that program into effect. The laws they wrote, and upon which an overwhelming administration majority of more than three to one in Congress affixed its rubber stamp of approval, became the New Deal legislation.

The President had no more trouble in getting rid of the National Legislature than he had in getting rid of his platform or his party leadership. He simply let it be known to Members of the majority party in Congress that he expected them to carry out the campaign pledges upon which they were elected. Now, practically every new Democratic Member in Congress was elected to that body in 1932 upon a pledge to support the President and to support him 100 percent. These Democratic Members were given plainly to understand that they were not elected to Congress on their own account—that it was only by virtue of the Roosevelt landslide that

they were there at all, and that if they expected to remain in Congress they should accommodate themselves to the new order of things.

And so, from the day of his inauguration right down to the present moment the President has had an absolutely free rein, together with all the money he has ever asked for, in solving all of the problems of the Nation in his own way. His prepledged 3 to 1 majority in Congress has not only passed every bill he has told them to but, with a very few exceptions, they have refused even to consider any proposal that did not come from the White House. As for making laws themselves, the administration majority in Congress long ago abandoned the idea. New Deal law is not made by Congress. It is made by the professors.

The fact that most of the "brain trust" law lives long enough only to reach the Supreme Court seems to make no difference either to the President or to the Congress. They nonchalantly dismiss a Supreme Court decision with the casual statement that the invalidated law had lasted long enough to serve its purpose any way.

The net result of it all is that after 3 years of this laboratory experimentation on national problems, carried on largely by men who have never had any practical experience in the working out of any kind of a problem, legislative, industrial, or agricultural, we are right back where we started. We still have more than 10,000,000 people out of work in private industry. We still have another 10,000,000 on relief or on Government-made work. We still have an insolvent farm population, without buying power, and with their farm mortgages being foreclosed at a more rapid rate than ever before. And further than that, after spending more than \$10,000,000,000 on this laboratory work the Roosevelt administration finds itself today not only without any comprehensive existing law for the solution of these problems but even without any announced plan or program for their future solution. The only permanent program that has come out of the laboratory is the program of continued Government spending.

In their operation of this laboratory the New Dealers, in the meantime, have suspended the operation of representative government. They have concentrated the whole actual power of the Government, executive and legislative, in the White House. They have effectively changed it from a government by law to a government by men, from a parliamentary government to an executive dictatorship, and from a constitutional government to one wherein the Constitution is looked upon merely as a necessary evil. That is the new philosophy of government.

The question is, Shall this thing be allowed to go on, or shall we stop it now? The people must decide that for themselves in November. It is for you, the people, to say at that time whether you have had enough of the new philosophy or whether you would like to have it continued permanently. America awaits your answer.

THE NEW DEAL IN RETROSPECT

Mr. HOLLISTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a radio address delivered by my colleague the gentleman from Ohio [Mr. BOLTON] last night.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HOLLISTER. Mr. Speaker, in accordance with permission granted me by the House, I am inserting a speech by Hon. CHESTER C. BOLTON, chairman of the National Republican Congressional Committee, over the National Broadcasting System, from Washington on March 3, 1936, entitled "The New Deal in Retrospect."

Tomorrow will mark the third anniversary of the New Deal. The past 3 years have been full of feverish activity, most of which has run counter to our established form of economic and political life. They have been marked by legislative and executive acts directly opposed to party promises. They offer every reason for sober thought as to where this New Deal is leading us.

The short time allotted to me does not permit of reviewing the New Deal in all of its amazing complications, but I do want to discuss some of its more vital aspects.

Seldom has a President gone into office with such hopes from the people as did Franklin D. Roosevelt on March 4, 1933. Seldom has there been such a desire from the people to back a Chief Executive in the efforts he had promised them to reestablish confidence and bring back normal prosperity.

Congressmen of both great national parties, believing in his pledge to carry out the Democratic platform 100 percent, supported him in the earlier experiments of the New Deal on the ground of emergency. As time went on and the President's performances deviated more and more from his pledges, that support grew less spontaneous and sincere. Many drew away because of fear to follow the perilous financial path along which he led. Finally, as his attempts to circumvent the Constitution, in order to carry out his theories, became clear, that support was reduced to mere political alignment, in which many an individual foresook sober judgment for party allegiance and favor.

As in the time of the World War, politics were forgotten in a surge of loyalty to overcome a common enemy until an attempt was made to turn that spirit of cooperation to party advantage with the inevitable result that it was destroyed by the very one who had preached it.

Thoughtful men and women throughout the land now have begun to question the New Deal. They are becoming aware that it has been subversive of our form and theory of government. They see that it is steadily, insidiously, persistently changing the fundamental spirit and structure of our free institutions. They resent its interference in the private and economic life of our country, its usurpation of the duties and responsibilities of the States. They are beginning to realize its terrific cost, the waste, and extravagance in Government which it has bred.

The New Deal in retrospect is proving quite a different thing from the New Deal in prospect. Many who in an emotional hour believed, or thought they believed, that the Constitution and its simple principles could be temporarily disregarded, so that we might take a short cut to the "more abundant life", have lived to regret it. In fact, a realization of the difference between what was solemnly promised and what has been actually performed is rapidly growing. It is arousing widespread distrust of the New Deal. No truer words were ever uttered than those of Abraham Lincoln when he said, "You can fool some of the people all of the time, and all of the people some of the time, but you cannot fool all of the people all of the time."

There is little point now, however, in recalling what was said or done in the emotional period in which the New Deal was launched. No one knew then what it was going to be or where it was going to lead. The point is, Where do we stand now on the New Deal, after we have had 3 years of it? Do we believe in it or not? Because in a comparatively short time we must answer this question in a Nation-wide election.

It is evident that the New Deal and what it stands for will be the issue. Within 4 months the two great national parties will have announced their platforms and placed their candidates for the Presidency in the field. New Dealers naturally are determined to choose as their standard bearer the chief advocate of the New Deal and the man most responsible for it—Franklin D. Roosevelt.

President Roosevelt, therefore, will be the issue along with the New Deal. It is of his making. Whether it originated in his own restless imagination or in the amalgamated, conglomerated thought of the "brain trust" makes no difference. No builder could have been more closely identified with its design or more directly responsible for its development.

Today, after 3 years, he shows no disposition whatever to curb his creation, nor to correct the abuses and evils which are apparent in it. We have every reason to assume he is satisfied with it and desires its continuance.

Yet in the campaign of 1932 Mr. Roosevelt was for a New Deal that in many respects was the direct antithesis of his New Deal as he has revealed it bit by bit after election. Though he was somewhat vague and general about the New Deal he promised in 1932, he was entirely specific about the Democratic platform of that year. He endorsed it 100 percent. As we all know, as to its major promises having to do with the financial affairs of the Government, he has repudiated that platform 100 percent.

It is argued in his favor that he had to do it to meet the emergency. Such an argument is a reflection on his wisdom and foresight little short of libelous. According to his own campaign arguments, the emergency was already here when he made his platform pledge and when he amplified it in his speeches—an emergency as grave as campaign oratory could describe.

As I have said, Mr. Roosevelt is the chief advocate of the New Deal and the one most responsible for it. He has been the directing force behind it. He is, in fact, the New Deal. His stewardship of national affairs during the past 3 years is, therefore, under direct question. Not his promises but his performance is the main point at issue, though the things he promised and has failed to do must enter into the consideration of his fitness to be given another term of office.

When he announced that he was going to experiment he was given a free hand, though no one then knew what his experiments were going to be. But one of them at least was not an experiment. The dictionary defines an experiment as a "trial made to confirm or disprove something." It is not necessary to make a trial to confirm or disprove the theory that we can safely spend more than we take in, or live indefinitely beyond our means and on borrowed money. It always has been an established fact that we can't proceed on any such theory and keep out of bankruptcy. The New Deal was to bring us a new order and a new philosophy. But, I ask, can it make black white, or water run up hill; can it "prime the pump" and supply the household indefinitely if it pours more water in than it pumps out?

In 1932, in keeping with the Democratic platform, Mr. Roosevelt was for balancing the Budget, for abolishing useless and wasteful governmental agencies, for decreasing the cost of government 25 percent. During the last 3 years, in violation of that platform, which he had pledged himself so unequivocally to support, he has been, by his acts, for unbalancing the Budget. He has been for establishing useless, wasteful, and pestiferous governmental agencies, for increasing the cost of government, and for building up the mightiest, most incomprehensible bureaucracy the world has ever known. "Remember," he said in his 1932 campaign, "it is not the way we say things but the way we do things that is the test of our sincerity." A great truth. "By their fruits ye shall know them."

When Mr. Roosevelt took office the national debt was approximately \$22,000,000,000. Under his administration it has grown to thirty and one-half billions of dollars. And it is still growing. A debt of from thirty-six to even forty billions is in sight by 1937.

It is needless to say the Budget is not balanced. Far from it. Budgets are not balanced under any such procedure in "frenzied

finance." Our Government is spending \$2 for every dollar it takes in. Those dollars are your dollars. The only way you can end this reckless ride to ruin is by removing the driver and taking away his permit to drive. For after all it is your car and his contract to drive it will presently expire.

Despite the revival in some lines of industry, according to latest estimates, more than twelve and one-half millions of people are still unemployed. Is this Mr. Farley's idea, to which he gave expression recently in Kansas, of "advancing from economic confusion to economic prosperity"? Prosperity for whom?

These unfortunate unemployed are and must be taken care of by public funds until they can be employed by private industry. Furthermore, one-sixth of our population is now estimated to be supported directly or indirectly by Government money. So we see the relief rolls do not diminish under the New Deal and the public pay rolls continue to increase. The money to support the Government so it can provide for those on relief and pay the salaries of those on the Government pay rolls must come from somewhere. The New Dealers assure us the Government's credit is not exhausted. But it is not inexhaustible. We will have to pay the bill one day in some form or other, we and our children and our children's children. Indeed, have we not already begun to pay in the higher cost of living?

These are things you will do well to consider seriously in the coming campaign. Indeed, you have a duty to do so. The question of whether President Roosevelt is a wise and far-seeing administrator or a short-sighted opportunist, leading recklessly along dangerous paths, concerns you vitally. The many who are confused and uncertain as to where his policies will take us can have no reason to believe they will be any less confused or any more certain if he is reelected because of his remarkable capacity for changing his mind.

When all is said and done, what does the New Deal mean? Paraphrasing the language of Daniel Webster—what is new in it that is valuable, and what is valuable in it that is new? Are the ideals of greater assistance to the unfortunate, greater justice to the weak, less selfishness on the part of the strong, new? Is the promise of a "more abundant life" anything more than an assurance of greater opportunity? Were not these ideals written into the Declaration of Independence and embodied in our fundamental law, with each of the sovereign parts, the States, to bear its particular share of the load, and with the executive, legislative, and judicial branches of the Government to balance and check one another and so protect the whole against the assumption of undue power by one central authority?

Has the New Deal offered any substitute for our system of government that is new and valuable? Or does the New Deal mean a philosophy of government under which the solemn promises through which it gained control are flagrantly disregarded, and under which wasteful expenditures for political profit are made possible? Does it represent a screen, built upon human emotions, behind which the plans for changing our form of government and the fundamental structure of our free institutions can be put into effect?

Does it contemplate a permanent usurpation of legislative function by the Executive, with a subservient Congress and the abolishment of the duty of that body to appropriate and direct the expenditure of money in favor of the executive branch of our Government?

I am speaking to you, not as members of any political body or faith, but as American citizens, with an appreciation of the opportunities and blessings of our land, as well as a knowledge of its faults and failings. Do you want to be governed by those principles of truth and justice under law, which make our country a beacon light for the world through its demonstration of a representative democracy, or do you want to see our country given over to regimentation and dictation from a centralized bureaucratic Government in Washington?

Much, indeed, everything, will depend upon your understanding of the issues involved, and on your judgment, not only in selecting real men and women to represent you in Congress, but also in electing a Chief Executive who will uphold and follow the pledges of his party calmly, sanely, and with great wisdom. Do you want a continuance of the autocratic and wasteful bureaucracy of the New Deal of Roosevelt, or a "government of the people, by the people, for the people", under the Constitution, as envisioned by Washington, Jefferson, and Lincoln?

WASHINGTON—JEFFERSON—ROOSEVELT

Mr. DUNN of Mississippi. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including an address delivered by me on Washington's Birthday at the District of Columbia Democratic Club.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. DUNN of Mississippi. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following address delivered by me on Washington's Birthday at the District of Columbia Democratic Club.

Today is the two hundred and fourth birth anniversary of George Washington, known and heralded throughout the world as the Father of his Country—and when I think of the many prophecies the man Washington made as a statesman concerning the welfare

and ultimate progress of his Nation I live in wonderment for the moment at the vision of the man. It was Washington who taught us first the fundamental principles of self-government and it was this great man, divinely guided, who first defined the duty of every true citizen of the Nation irrespective of party faith. These definitions and axiomatic philosophies are well grounded in the hearts and souls of practically every school child in the Nation, and no need here to review them.

I think no true American, however warped his mind may be as concerns party faith and principles, will deny that the first duty we owe our Government is that of moral support. That we should defend it against those who wrongfully assail it with words. We know from common knowledge that malicious attacks are constantly being made upon all governments by parties who have been disappointed and angered at their failure to secure their own personal ends and by those who have "an ax to grind." Attacks of this sort naturally have a mighty tendency to destroy the confidence of the people in the ability and integrity of government, and thus to weaken it and make it the more powerless to perform its various functions.

And while this is easily said we must recognize the fact that today we have come to the crossroads, so to speak, in the matter of national dispute as to who or what party is the salvation of the Government we all love so well.

Truly, it seems a large part of our citizenship disregards the formula of George Washington in the matter of honesty as concerns duty to his or her country. As a matter of truth, certain organizations have grown up in our midst which seem to glory in the tactics of disturbance, chaos, and harangue, and their every order of things tends to disannoyance every true virtue of the principles of George Washington—this largely because, I think, the tendency of the times has offered a form of reward to them, more sacred in their way of thinking than the just reward that ultimately must come to those who place citizenship higher than this sort of putrid gain.

For instance, we have parties in this Nation today, those who feel they belong to the "holier than thou society", and we have grouped organizations operating without reservation whose sole aim it is to break down the patriotic morale of the people of this Nation by every conceivable means of hypocrisy imaginable; who disavow truth and pollute the channels of decency with distorted facts suitable to their own selfish and fiendish interests.

This is not as it should be, and when I hear certain Members belonging to the historical Republican Party cry aloud that we have become dissolved as a national people living under the banner of Washington freedom, that we have slipped quietly yet organically into the abyss of dictatorship, I cannot help but wonder if these self-made apostles of selfishness and greed have not long since thrown aside every vesture of pure, unadulterated Americanism which Washington set up in the first instance.

Everyone who thinks for himself or has common knowledge of the history of our Nation knows that social evolution has greatly changed our trend of thought in the matter of materialism but has not caused us to vary in the least from the principles of justice as affects the ultimate results of the social evolution and the change in things general since the day of Washington.

The hue and cry today, some 204 years after the birth of George Washington, is that Franklin Roosevelt, President of the United States of America and acting in the same executive capacity as did George Washington, has caused our national resources to become crumpled and dissipated; that he has set up mighty dictatorial barriers to normal prosperity; that he as the chosen head of the Democratic Party and the Nation has broken faith with his people and has violated the pledges of the Democratic Party when they nominated him for the highest executive office in the land. On the floor of the House of Representatives synthetic orators raise their voices toward the high heavens in every form of challenge to the man who took over the compass of direction in guiding a blinded people who had been suffocated with material pauperism as the result of a predecessor's colorful scheme to place the dollar above human virtue. They shout that Franklin D. Roosevelt has departed from the principles of true Jeffersonian Democracy and that he has set himself up as a political saint, impervious and immune from the mandates of that great charter known as the Constitution. They wax strong on the theory that billions are being spent or wasted in experimentation and that these billions are being dedicated to the gods of paganism. As a matter of fact, when they charge him with the many abuses of office they say he is guilty of, and I don't think they know it, they are charging this great man frankly with having put bread in the mouths of starving babies; of having salvaged the banks of the Nation from a state of insolvency and of having put them back on a firm basis; they blame him for having used part of the mightiest money reserve on the face of the earth in garnering to his side the hearts and souls of men, women, and children who were lost as of 1932 in the chasm of Republican inability to care for them by the protection of their interests as citizens. They charge the man Roosevelt with morbid misconduct in the disrespect of the principles which have guided our American institutions through the years to our now positive, complete, and definite position as leader of every civilized nation on the face of this earth.

In 1932, shortly after the mighty Republican Party had seen one of its Cabinet officers and other members of its executive and judicial branch disgraced before the bar of public opinion because of having bartered to these same selfish interests that which belonged to the people of the Nation; after this party had

seen our foreign trade fall off more than \$2,000,000,000, thus adding to the already staggering unemployment at home; after having given special favors and special privileges to thousands of consorts within the temple of their own kind, they yell and shout that Franklin D. Roosevelt has libeled the principles of Washington as well as those of Thomas Jefferson.

Do they now deny that our Nation is the most strongly fortified nation among the nations of the earth as concerns the comfort of society and the ability to keep that comfort steadfast. Do they deny that more than \$10,000,000,000 in gold which lies in the possession of the United States Treasury and which is more than five-eighths of the gold of the world is a banner of truth flying over the beautiful and gracious portals of the White House? Do they charge that the accumulation and holding of this gold is not sufficient to warrant this Nation's credit as the most stable and balanced credit in the world? No; they are content to say or do anything or encourage anyone or collective group to discolor actual facts in order that they, the Republican Party and others alined with them, might once again come into power and stifle and disintegrate the very principles announced by George Washington and Thomas Jefferson and which principle is a free Government for a free people.

Just the other night I had the opportunity to listen to a radio address by one who styles himself an apostle of righteousness. I heard the gentleman who wears the garments of a sacred priest denounce Franklin Roosevelt in blasphemous terms, and the moment he finished his tirade of pusillanimous nothingness I began to wonder about the man Christ himself and the Deity he represented when he was on earth. I wonder whether this so-called disciple of a beautiful faith can really rest his head in peace and comfort upon his pillow at night after such an exhibition of political chicanery and dissipated opportunity, knowing full well that the preachments of the man Christ tended always toward solace, peace on earth, and good will toward men. Inherently, I feel this man has some form of religious color, but I am afraid that he is the antithesis of the very principles announced by Thomas Jefferson when he said, "Our civil rights have no dependence on our religious opinions." This may or may not be true, but to say the least the gentleman has thrust this issue into the forum of public discussion, and, as for myself, I believe in tolerance, and I do not think monetary gain ought to disturb this feeling in the bosom of any living human.

Is there a man living who would charge that Franklin Roosevelt has disparaged the virtues and principles of American institutions? Is there a man who can charge that he is not God-fearing? Is there one who can find color against his character or find in any measure an emaciated disposition to destroy the principles as announced by both Washington and Jefferson? I challenge anyone to cite me an instance.

Washington builded a nation out of a wilderness and conquered it through courage and tolerance. Jefferson was fortified through a fear of God when he took the office as President, and he inveigled ways and means to attack the social conditions of his time which departed quite a little from the formulas found in the laboratory of human experience prior to his time. Both were successful. Equally so has Franklin D. Roosevelt most assiduously delved into the archives of time to find a formula for a stricken but patriotic people, and I say, as a patriot myself and one who offered his life during the World War for the principles of both Washington and Jefferson, that irrespective of party faith, political chicanery, maudlin hypocrisy, and a desire for monetary gain at the expense of the traditions of American institutions, the man Roosevelt will shake the modern walls of Jericho into crumbles because of the fact that he is adhering to the principles of both Washington and Jefferson.

And when all is said and done and the turbulent sea of political animosity has become rested and calm, shall it not be that in the end we must all entertain and hold a true and complete sentiment of patriotism in the matter of the preservation of our national existence, for—

Breathes there a man with soul so dead,
Who never to himself hath said,
This is my own, my native land?
Whose heart hath ne'er within him burn'd,
As home his footsteps he hath turn'd,
From wandering on a foreign strand?
If such there be, go, mark him well;
For him no minstrel raptures swell;
High though his titles, proud his name,
Boundless his wealth as wish can claim,
Despite those titles, power, and pelf,
The wretch, concentred all in self,
Living, shall forfeit fair renown,
And, doubly dying, shall go down,
To the vile dust from whence he sprang,
Unwept, unhonored, and unsung.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MORITZ, for 2 days, on account of important official business.

To Mr. SEARS, for 1 week, on account of business.

To Mr. McREYNOLDS, indefinitely, on account of illness in his family.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1111. An act for the relief of Alfred L. Hudson and Walter K. Jeffers;

S. 1683. An act for the relief of Robert L. Monk;

S. 1991. An act for the relief of Wilson G. Bingham;

S. 2469. An act for the relief of E. L. Hice and Lucy Hice;

S. 2590. An act for the relief of James E. McDonald;

S. 2618. An act for the relief of James M. Montgomery;

S. 2980. An act for the relief of Ruby Rardon;

S. 3001. An act for the relief of Walter F. Brittan;

S. 3274. An act for the relief of Mary Hobart;

S. 3399. An act for the relief of Rosalie Piar Sprecher (nee Rosa Piar); and

S. 3683. An act for the relief of certain disbursing officers of the Army of the United States and for the settlement of individual claims approved by the War Department.

ADJOURNMENT

Mr. BLANTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 3 minutes p. m.) the House adjourned until tomorrow, Thursday, March 5, 1936, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE POST OFFICE AND POST ROADS

A hearing will be conducted by Subcommittee No. 1 Thursday, March 5, at 10 a. m., on H. R. 2818, promotion of watchmen, messengers, and laborers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. BLAND: Committee on Interstate and Foreign Commerce. H. R. 4991. A bill authorizing superannuation disability pay for alien employees of the Panama Canal; without amendment (Rept. No. 2127). Referred to the Committee of the Whole House on the state of the Union.

Mr. McREYNOLDS: Committee on Foreign Affairs. H. R. 10321. A bill to amend section 4 of Public Act No. 286, Seventy-fourth Congress, approved August 19, 1935, as amended; without amendment (Rept. No. 2128). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CROSSER of Ohio: A bill (H. R. 11609) to foster and protect interstate commerce by authorizing the Interstate Commerce Commission to approve or disapprove of the consolidation or abandonment of carrier facilities of public service; to the Committee on Interstate and Foreign Commerce.

By Mr. MAAS: A bill (H. R. 11610) to provide for certain men discharged from the Navy between the dates of November 11, 1918, and July 1, 1925, the benefits of men transferred to the Fleet Naval Reserve after 16 years' service; to the Committee on Naval Affairs.

By Mr. BROWN of Michigan: A bill (H. R. 11611) granting authority to the Secretary of War to license the use of a certain parcel of land situated in Fort Brady Military Reservation to Ira D. McLachlan Post, No. 3, the American Legion, for 15 years; to the Committee on Military Affairs.

By Mr. CHANDLER: A bill (H. R. 11612) to change the name of Pickwick Landing Dam in Tennessee to McKellar Dam; to the Committee on Military Affairs.

By Mr. CARMICHAEL: A bill (H. R. 11613) to extend the times for commencing and completing the construction

of a bridge across the Tennessee River between Colbert County and Lauderdale County, Ala.; to the Committee on Interstate and Foreign Commerce.

By Mr. COX: A bill (H. R. 11614) to amend the Judicial Code to divide the middle district of Georgia into seven divisions by adding a new division to the middle district, and providing for terms of said court to be held at Thomasville, Ga.; to the Committee on the Judiciary.

By Mr. SUMNERS of Texas: A bill (H. R. 11615) limiting the operation of sections 109 and 113 of the Criminal Code and section 190 of the Revised Statutes of the United States with respect to counsel in certain cases; to the Committee on the Judiciary.

Also, a bill (H. R. 11616) to fix the compensation of the Director of the Federal Bureau of Investigation; to the Committee on the Judiciary.

By Mr. TARVER: A bill (H. R. 11617) to authorize a preliminary examination of the Coosa River, Ga., and its tributaries, with a view to the control of their floods; to the Committee on Flood Control.

By Mr. WILCOX: A bill (H. R. 11618) providing for the erection of a public building at Port Everglades, in Broward County, in the State of Florida; to the Committee on Public Buildings and Grounds.

By Mr. KNUTSON: Resolution (H. Res. 436) authorizing the Committee on Expenditures in the Executive Departments to make a full study of the activities of all branches of the executive branch of the Government, with a view to determine whether the activities of any one overlaps the activities of another; to the Committee on Rules.

By Mr. FADDIS: Joint resolution (H. J. Res. 512) relating to the employment of the personnel of the Agriculture Adjustment Administration in carrying out certain governmental activities; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURNHAM: A bill (H. R. 11619) granting a pension to Jennie O. Davis; to the Committee on Invalid Pensions.

By Mr. CULKIN: A bill (H. R. 11620) granting an increase of pension to Ellen M. Stowell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11621) granting an increase of pension to Mary A. McNeil; to the Committee on Invalid Pensions.

By Mr. FENERTY: A bill (H. R. 11622) for the relief of Thomas F. Donohue, Sr.; to the Committee on Claims.

Also, a bill (H. R. 11623) for the relief of James Douglas Francis; to the Committee on Naval Affairs.

Also, a bill (H. R. 11624) for the relief of Hugh J. Bowker; to the Committee on Military Affairs.

By Mr. GIFFORD: A bill (H. R. 11625) for the relief of George W. Silver; to the Committee on Claims.

By Mrs. KAHN: A bill (H. R. 11626) for the relief of Elizabeth Manning; to the Committee on Claims.

Also, a bill (H. R. 11627) for the relief of Walter Francis Hurley; to the Committee on Naval Affairs.

Also, a bill (H. R. 11628) for the relief of F. E. Booth Co.; to the Committee on Claims.

By Mr. MAAS: A bill (H. R. 11629) to retire Francis A. Markoe with the rank of captain, Infantry, United States Army; to the Committee on Military Affairs.

By Mr. MORITZ: A bill (H. R. 11630) for the relief of Anne E. Felix; to the Committee on Claims.

By Mr. O'CONNOR: A bill (H. R. 11631) for the relief of Timothy Joseph Long; to the Committee on Naval Affairs.

By Mr. SEGER: A bill (H. R. 11632) authorizing the appointment of George Breeman as a chief gunner in the United States Navy; to the Committee on Naval Affairs.

By Mr. SMITH of Virginia: A bill (H. R. 11633) granting a pension to Dora Limrick Lippincott; to the Committee on Pensions.

By Mr. SMITH of West Virginia: A bill (H. R. 11634) for the relief of the heirs of Horace King, deceased; to the Committee on War Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 11635) for the relief of the heirs of Thomas J. Mason, deceased; to the Committee on War Claims.

By Mr. THOMAS: A bill (H. R. 11636) granting an increase of pension to Sarah R. Waldron; to the Committee on Invalid Pensions.

By Mr. WERNER: A bill (H. R. 11637) granting a pension to C. F. Hall (or Holley); to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

10378. By Mr. BLOOM: Petition of residents of the city of Dorado, P. R., urging the passage of legislation similar to the recently approved Social Security Act to solve the problem of the unemployed and the unemployable in Puerto Rico; to the Committee on Ways and Means.

10379. By Mr. FENERTY: Resolution of Rescue Council, No. 15, Fraternal Patriotic Americans of the State of Pennsylvania, Inc., protesting against the passage of the so-called Kerr-Coolidge immigration bill; to the Committee on Immigration and Naturalization.

10380. Also, resolution of Diligent Council, No. 4, Fraternal Patriotic Americans of the State of Pennsylvania, Inc., protesting against the passage of the so-called Kerr-Coolidge immigration bill; to the Committee on Immigration and Naturalization.

10381. Also, resolution of the Glass Bottle Blowers' Association, Local No. 4, of Philadelphia, Pa., urging enactment of the bill (H. R. 9072) to regulate the textile industry; to the Committee on Labor.

10382. Also, communication from the Slook-Montague Post, No. 354, Veterans of Foreign Wars, Philadelphia, Pa., advising that the post went on record at a regular stated meeting, February 26, 1936, endorsing House Joint Resolution 493, directing the President of the United States of America to proclaim November 11 of each year as a national holiday for the observance and commemoration of the signing of the armistice; to the Committee on the Judiciary.

10383. By Mr. KENNEY: Resolution of the House of Assembly of the State of New Jersey, memorializing the Congress of the United States to adopt measures insuring strict neutrality by the Federal Government in foreign wars; to the Committee on Foreign Affairs.

10384. By Mr. LAMNECK: Petition of Mrs. Paul Jackson, president, Clinton Parent-Teachers Association Study Club, Columbus, Ohio, requesting early hearings on motion-picture bills now in Congress and urging that adequate legal regulation be provided for this industry, including not only the elimination of unfair trade practices but also higher moral standards of production, such as those provided in the Culklin motion-picture bill (H. R. 2999); to the Committee on Interstate and Foreign Commerce.

10385. By Mr. RICH: Petition of citizens of Lycoming County, Pa., favoring House bill 10756; to the Committee on the Post Office and Post Roads.

10386. By Mr. SADOWSKI: Petition of 5,000 people gathered in meeting at Naval Armory, Detroit, Mich., on February 14, 1936, protesting against the Tydings-McCormack and the Kramer sedition bills; to the Committee on the Judiciary.

10387. Also petition of the Michigan Association of Road Commissioners and Engineers at the twenty-second annual meeting held at Ann Arbor, Mich., February 18, endorsing in the continuation of Federal aid to the State at the minimum of \$125,000,000 a year; to the Committee on Appropriations.

10388. Also, petition of the Michigan Retail Lumber Dealers Association in convention in Detroit, Mich., February 5, endorsing the continuation of title I of the National Housing Act and opposing a Government low-cost housing project; to the Committee on Appropriations.